

United States Treaties and Other International Agreements



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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.”

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HONDURAS

Hurricane Rural Reconstruction and Recovery

*Agreement signed at Tegucigalpa February 19, 1975;
Entered into force February 19, 1975.*

ALIANZA PARA EL PROGRESO

ALLIANCE FOR PROGRESS

CONVENIO DE PRESTAMO

ENTRE
BETWEEN

LA REPUBLICA DE HONDURAS
THE REPUBLIC OF HONDURAS

Y
AND

LOS ESTADOS UNIDOS DE AMERICA
THE UNITED STATES OF AMERICA

PARA
POR

RECONSTRUCCION Y RECUPERACION DE ZONAS RURALES
HURRICANE RURAL RECONSTRUCTION AND RECOVERY

Agencia para el Desarrollo Internacional
Préstamos A.I.D. Nos. 522-T-026
522-V-027
522-W-028

Agency for International Development
Loans Nos. 522-T-026
522-V-027
522-W-028

Tegucigalpa, Honduras
19 de febrero de 1975

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**ALIANZA PARA EL PROGRESO
CONVENIO DE PRESTAMO**

CONVENIO DE PRESTAMO en apoyo a la Alianza para el Progreso fechado el 19 de febrero de 1975 celebrado entre el Gobierno de la Republica de Honduras ("Prestatario") y los Estados Unidos de America, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D.")

**ARTICULO I
El Préstamo**

SECCION 1.01. El Préstamo. La A.I.D. por este medio acuerda conceder al Prestatario, en apoyo a la Alianza para el Progreso y de conformidad con el Acta de Asistencia al Extranjero de 1961 y sus enmiendas, una cantidad que no excede de quince Millones de Dólares Estadounidenses (\$15,000,000) ("Préstamo") para colaborar con el Prestatario en llevar a cabo el Programa descrito en la Sección 1.02 ("Programa"). El Préstamo será utilizado exclusivamente para financiar los costos en Dólares Estadounidenses ("Costos en Dólares") y los costos en Lempiras ("Costos en Lempiras"), de bienes y servicios requeridos para el Programa.

Los fondos del Préstamo serán asignados dentro de las siguientes designadas actividades como sigue: hasta una cantidad que no excede de doce millones

**ALLIANCE FOR PROGRESS
LOAN AGREEMENT**

LOAN AGREEMENT, in furtherance of the Alliance for Progress, dated the 19th day of February, 1975, between the Government of the Republic of Honduras ("Borrower") and the United States of America, acting through the Agency for International Development ("A.I.D.").

**ARTICLE I
The Loan**

SECTION 1.01. The Loan. A.I.D. agrees to lend to Borrower in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended,^[1] an amount not to exceed fifteen Million United States Dollars (\$15,000,000) ("Loan") to assist Borrower in carrying out the Program referred to in Section 1.02 ("Program"). The Loan shall be used exclusively to finance the United States dollar costs ("Dollar Costs") and Honduran Lempira costs ("Lempira Costs") of goods and services required for the Program.

The Loan funds shall be apportioned among the following designated Activities as follows: not to exceed twelve million five hundred thousand United States Dollars

^[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

quinientos mil Dólares Estadounidenses (\$12,500,000) de los fondos del Préstamo que serán transferidos como donación de capital por el Prestatario al Banco Nacional de Fomento (BNF), serán utilizados en Créditos Agrícolas y Mercadeo de Granos; hasta una cantidad que no exceda de un millón quinientos mil Dólares Estadounidenses (\$1,500,000) de los fondos del Préstamo podrán usarse para la Reconstrucción de Escuelas Primarias y, hasta una cantidad que no excede de un millón de Dólares Estadounidenses (\$1,000,000) con fondos del Préstamo que serán transferidos como donación de Capital por el Prestatario al Instituto Nacional de la Vivienda (INVA) serán utilizados en la Reconstrucción de Viviendas Rurales. La suma de los desembolsos bajo el Préstamo se denominará como "Capital".

SECCION 1.02. El Programa. El Programa es para asistir financieramente al Prestatario en el Programa de Recuperación y Reconstrucción Hondureña, de los efectos causados por el Huracán "Fifi". El Programa será administrado por el Banco Nacional de Fomento (BNF), el Ministerio de Educación Pública y el Instituto Nacional de la Vivienda (INVA) ("Dependencias Ejecutoras")

El Programa se describe más detalladamente en el Anexo I adjunto. El Anexo podría modificarse por escrito dentro del alcance del Programa, de conformidad con esta Sección, mediante Cartas de Ejecución que emitan los representantes

(\$12,500,000) of Loan Funds which will be transferred by the Borrower to the Banco Nacional de Fomento (BNF) for utilization for Farm Credit and Marketing; not to exceed one million five hundred thousand United States dollars (\$1,500,000) of Loan funds may be utilized for Primary School Reconstruction; and not to exceed one million United States dollars (\$1,000,000) of Loan funds which will be transferred by the Borrower to the National Housing Institute (INVA) for utilization for Rural Shelter Reconstruction. The aggregate amount of disbursement under the Loan is hereinafter referred to as "Principal"

SECTION 1.02. The Program. The Program is designed to assist in financing Borrower's Program for the Recovery and Reconstruction of Honduras from the effects of Hurricane "Fifi". The Program will be administered by the Banco Nacional de Fomento ("BNF"), the Ministry of Public Education, and the National Housing Institute (INVA) ("Executing Agencies")

The Program is more fully described in Annex I, attached hereto, which Annex may be modified in writing, within the scope of the Program as set forth in this Section, by Implementation Letters issued by the authorized represent-

autorizados de la A.I.D. y aprobados por los representantes autorizados del Prestatario.

ARTICULO II
Amortización, Intereses y Procedimiento de Pagos

SECCION 2.01. Intereses. El Prestatario pagará a la A.I.D. intereses que se computarán a una tasa del dos por ciento (2%) anual durante los diez años posteriores a la fecha del primer desembolso bajo el Convenio de Préstamo y a la tasa del tres por ciento (3%) anual de allí en adelante sobre el capital insoluto y sobre cualquier interés vencido y no pagado. Los intereses sobre el capital insoluto se acumularán a partir de las fechas de los respectivos desembolsos, según la fecha definida en la Sección 7.04 y se pagarán semestralmente. Los intereses sobre cualquier interés vencido y no pagado, se acumularán a partir de la fecha en que venzan tales intereses. Los intereses se computarán sobre una base anual de 365 días. El primer pago de intereses vencerá y deberá pagarse a más tardar seis (6) meses después del primer desembolso hecho en virtud de este Convenio, en una fecha que la A.I.D. especificará.

SECCION 2.02 Amortización. El Prestatario amortizará el Capital a la A.I.D. dentro de los cuarenta (40) años a partir de la fecha del primer desembolso hecho en

atives of A.I.D. and approved by the authorized representative of Borrower.

ARTICLE II
Terms of Repayment, Interest and Payment Procedures

SECTION 2.01. Interest. Borrower shall pay to A.I.D. interest which shall 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 of Principal shall accrue from the date of each respective disbursement as such date is defined in Section 7.04, and shall be payable semi-annually. Interest on any due and unpaid interest shall accrue from the due date of such interest. Interest shall be computed on the basis of a 365-day year. The first payment of interest shall 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 2.02. Repayment. Borrower shall repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement hereunder in sixty-one

virtud de este Convenio en sesenta y una (61) cuotas semestrales aproximadamente iguales de Capital más intereses. La primera amortización de Capital deberá pagarse nueve y medio (9-1/2) años después de la fecha de vencimiento de los primeros intereses, de conformidad con la Sección 2.01. La A.I.D. suministrará al Prestatario una tabla de amortización del Préstamo de conformidad con esta Sección después del último desembolso efectuado bajo el Préstamo.

SECCION 2.03. Aplicación, Moneda y Lugar de Pago. Todos los pagos de intereses y Capital que se hagan en virtud de este Convenio, se harán en Dólares Estadounidenses y deberán aplicarse primero al pago de intereses vencidos y después a la amortización de Capital. Excepto cuando la A.I.D. lo especifique de otra manera, por escrito, todos los pagos se harán a la Agencia para el Desarrollo Internacional, Washington, D. C. 20523, U.S.A. - Atención: Cajero, y se considerarán debidamente pagados cuando hayan sido recibidos por la Oficina del Cajero.

SECCION 2.04 Pago Adelantado. Una vez pagados todos los intereses y reembolsos entonces vencidos, el Prestatario podrá pagar por adelantado, sin ningún recargo, todo o parte del Capital. Cualquier pago por adelantado deberá aplicarse a las amortizaciones de Capital en orden inverso de su vencimiento.

(61) approximately equal semi-annual installments of Principal and interest. The first installment of Principal shall 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 2.01. A.I.D. shall provide Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 2.03. Application, Currency and Place of Payment. All payment of interest and Principal hereunder shall be made in United States dollars and shall 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, all such payments shall be made to the Agency for International Development, Washington, D.C. 20523, U.S.A. - Attention: Cashier, and shall be deemed made when received by the Office of the Cashier.

SECTION 2.04. Prepayment. Upon payment of all interest and refunds then due, Borrower may prepay, without penalty, all or any part of the Principal. Any such prepayment shall be applied to the installments of Principal in the inverse order of their maturity.

SECCION 2.05. Renegociación de los Términos del Préstamo. De conformidad con los compromisos de los Estados Unidos de América, y de los otros signatarios del Acta de Bogotá y de la Carta de Punta del Este para forjar una Alianza para el Progreso, el Prestatario y la A.I.D. acuerdan negociar en la fecha o fechas que así convengan, una aceleración a la amortización del Préstamo, en caso de que la capacidad del Prestatario, para liquidar más rápidamente sus obligaciones bajo este Convenio pueda mejorar en vista de la situación económica o financiera interna o externa y de las perspectivas de la República de Honduras, tomando en consideración las necesidades relativas de capital de la República de Honduras y de los otros signatarios del Acta de Bogotá y la Carta de Punta del Este.

SECTION 2.05. Renegotiation of the Terms of the Loan. In light of the undertakings of the United States of America and the other signatories of the Act of Bogotá^[1] and the Charter of Punta del Este^[2] to forge an Alliance for Progress, Borrower agrees to negotiate with A.I.D., at such time or times as A.I.D. may agree upon, an acceleration of repayment of the Loan in the event that the capacity of Borrower to service a more rapid liquidation of its obligation hereunder should improve in light of the internal and external economic and financial position and prospects of the Republic of Honduras, taking into consideration the relative capital requirements of the Republic of Honduras and the other signatories of the Act of Bogotá and the Charter of Punta del Este.

ARTICULO III Condiciones Previas a Desembolso

SECCION 3.01. Condiciones Previas a Desembolso Inicial. Antes del primer desembolso o emisión del primer Documento de Compromiso bajo el Préstamo, el Prestatario suministrará a la A.I.D., en forma y contenido satisfactorio a ésta, lo siguiente:

(a) Un dictámen del Procurador General de la República de Honduras o de cualquier otro consultor jurídico satisfactorio a la

ARTICLE III Conditions Precedent to Disbursement

SECTION 3.01. Conditions Precedent to Initial Disbursement. Prior to the first disbursement or to the issuance of the first Commitment Document under the Loan, Borrower shall furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) an opinion of the Procurador General of the Republic of Honduras or of other counsel acceptable to A.I.D. that this Agree-

¹ Department of State Bulletin, Oct. 3, 1960, p. 537.

² Department of State Bulletin, Sept. 11, 1961, p. 462.

A.I.D., de que este Convenio ha sido debidamente autorizado y/o ratificado y celebrado en representación del Prestatario y que constituye una obligación válida y exigible legalmente del Prestatario de conformidad con todos sus términos; y

(b) una declaración de los nombres de las personas que desempeñen o que tengan la representación del Prestatario según lo especificado en la Sección 9.02 de este Convenio, así como las muestras de las firmas de cada una de las personas especificadas en la declaración.

SECCION 3.02. Condiciones Previas a Desembolso para la Actividad de Crédito Agrícola. Antes del primer desembolso o la emisión del primer documento de compromiso bajo el Préstamo para financiar cualquier parte de la Actividad de Crédito Agrícola, el Prestatario suministrará a la A.I.D. en forma y contenido satisfactoria a ésta:

1. Un plan por fases para la utilización de los recursos (financieros, administrativos y técnicos) de la Actividad, cuyo plan deberá:

(a) dar preferencia en la utilización de los recursos de la Actividad a las áreas afectadas por el huracán; y

ment has been duly authorized and/or ratified by and executed on behalf of Borrower and that it constitutes a valid and legally binding obligation of Borrower in accordance with all of its terms, and

(b) a statement of the names of the persons holding or acting in the Office of Borrower specified in Section 9.02, and a specimen signature of each person specified in such statement.

SECTION 3.02. Conditions Precedent to Disbursement for the Farm Credit Activity. Prior to the first disbursement or the issuance of the first commitment document under the Loan to finance any part of the Farm Credit Activity, Borrower shall submit to A.I.D. in form and substance satisfactory to A.I.D.:

1. A time-phased plan for the use of Activity resources (financial, administrative and technical), which plan shall:

(a) give preference to the use of Activity resources in hurricane affected areas, and

(b) especificar la política y procedimientos que gobernan el uso de tales recursos;

2. un modelo de convenio de préstamo para crédito agrícola que utilizarán el BNF y los beneficiarios del crédito, el que deberá incluir entre otras cosas:

(a) una estipulación para la venta de la cosecha de granos colaterizada al BNF a un precio suficiente para que sea incentivo para la producción de granos; y

(b) una estipulación para la reducción de los saldos en mora adeudados al BNF por préstamos a la producción otorgados con anterioridad.

SECCION 3.03. Condicion Previa a Desembolso para la Actividad de Mercadeo de Granos. Antes del primer desembolso o emisión del primer documento de compromiso bajo el Préstamo para financiar cualquier parte de la Actividad de Mercadeo de Granos, el Prestatario suministrará a la A.I.D. en forma y contenido satisfactorio a esta un plan para las operaciones de compra de granos que conducirá el BNF en relación con esta Actividad. Tal plan incluirá la política de precios que adoptará el BNF al ejecutar la Actividad durante el año calendario de 1975.

(b) specify the policies and procedures governing the use of said resources.

2. A standard agricultural credit loan agreement to be used by the BNF and credit recipients, which agreement shall include inter alia.

(a) a provision for the sale of the collateralized grain crop to the BNF at a price sufficient to constitute an incentive for the production of grains; and

(b) a provision for the reduction of delinquent loan balances due to the BNF on previous production credits.

SECTION 3.03. Condition Precedent to Disbursement for the Grain Marketing Activity. Prior to the first disbursement or the issuance of the first commitment document under the Loan to finance any part of the Grain Marketing Activity Borrower shall submit to A.I.D. in form and substance satisfactory to A.I.D., a plan for grain buying operations to be conducted by BNF in connection with this Activity. Such plan shall include pricing policies to be adopted by BNF in carrying out the Activity during calendar year 1975.

SECCION 3.04. Condiciones Previias a Desembolso para la Actividad de Reconstrucción de Escuelas Primarias. Antes del primer desembolso o la emisión del primer documento de compromiso bajo el Préstamo para financiar cualquier parte de la Reconstrucción de Escuelas Primarias, el Prestatario suministrará a la A.I.D. en forma y contenido satisfactorio a ésta:

(a) un convenio celebrado con una firma u组织ación aprobada por el Prestatario y la A.I.D. para llevar a cabo la Actividad; y

(b) un plan por fases que cubra la ejecución de la Actividad.

SECCION 3.05. Condiciones Previias a Desembolso para la Actividad de Reconstrucción de Viviendas Rurales. Antes del primer desembolso o la emisión del primer documento de compromiso bajo el Préstamo para financiar cualquier parte de la Reconstrucción de Viviendas Rurales, exceptuando la asistencia técnica, el Prestatario suministrará a la A.I.D. en forma y contenido satisfactorio a ésta:

(a) un plan por fases para la ejecución de la Actividad;

(b) la política y procedimiento que gobernarán el financiamiento que se otorgará de conformidad con esta Actividad;

(c) evidencia de que el INVA ha establecido un Fondo Especial para los propósitos de llevar a cabo esta Actividad y que el Prestatario a acordado acreditar al Fondo Especial todos los fondos desembolsados por la A.I.D. para esta Actividad bajo este Préstamo.

.SECTION 3.04. Conditions Precedent to Disbursement for the Primary School Reconstruction Activity. Prior to the first disbursement or the issuance of the first commitment document under the Loan to finance any part of the Primary School Reconstruction Activity, Borrower shall submit to A.I.D. in form and substance satisfactory to A.I.D.:

(a) an executed agreement with a firm or organization, approved by Borrower and A.I.D. for implementation of the Activity; and

(b) a time phased-plan covering the execution of the Activity.

SECTION 3.05. Conditions Precedent to Disbursement for the Rural Shelter Reconstruction Activity. Prior to the first disbursement or the issuance of the first commitment document under the Loan to finance any part of the Rural Shelter Reconstruction Activity, other than for technical assistance, Borrower shall submit to A.I.D. in form and substance satisfactory to A.I.D.:

(a) a time-phased plan for implementation of the Activity;

(b) the policies and procedures governing all financing pursuant to this Activity;

(c) evidence that INVA has established a Special Fund for the purpose of carrying out this Activity and that Borrower has agreed to credit all funds disbursed by A.I.D. under the Loan for this Activity to such Special Fund.

(d) evidencia que el INVA ha establecido, dentro de su organización administrativa un procedimiento contable para el Fondo Especial y haya asignado el personal que tendrá la responsabilidad de llevar a cabo los objetivos de esta Actividad; y

(e) un plan que cubra el uso que se propone hacer de las amortizaciones de hipotecas acreditadas al Fondo Especial.

SECCION 3.06. Fecha Final para el Cumplimiento de las Condiciones Previias a Desembolso Inicial. Si todas las condiciones estipuladas en la Sección 3.01 no han sido cumplidas dentro de los treinta (30) días a partir de la fecha de este Convenio, o en una fecha posterior que el Prestatario y la A.I.D. puedan acordar por escrito, la A.I.D. a su opción podrá dar por terminado este Convenio dándole notificación por escrito al Prestatario. Al darse tal notificación este Convenio y todas las obligaciones de las partes en virtud del mismo, terminarán.

SECCION 3.07 Fecha Final para el Cumplimiento de las Condiciones Previias a Desembolso para las Actividades Designadas. Si cualquiera de las condiciones especificadas en las Secciones 3.02, 3.03, 3.04 y 3.05, no han sido cumplidas dentro de sesenta (60) días de la fecha de este Convenio, o en una fecha posterior que el Prestatario

(d) evidence that INVA has established within its organizational framework an accounting procedure for this Special Fund and, has assigned staff which shall have the responsibility to carry out the objectives of this Activity; and

(e) a plan covering the proposed use of mortgage repayments credited to the Special Fund.

SECTION 3.06. Terminal Date for Meeting Conditions Precedent to Initial Disbursement. If all of the conditions specified in Section 3.01 shall not have been met within thirty (30) days from the date of this Agreement, or such later date as Borrower and A.I.D. may agree to in writing, A.I.D. at its option may terminate this Agreement by giving written notice to the Borrower. Upon the giving of such notice this Agreement and all obligations of the parties hereunder shall terminate.

SECTION 3.07 Terminal Date for Meeting Conditions Precedent to Disbursement for Designated Activities. If any of the conditions specified in Sections 3.02, 3.03, 3.04, and 3.05 shall not have been met within sixty (60) days from the date of the Agreement, or such later date as Borrower and A.I.D. may agree to in writing, A.I.D.

y la A.I.D. puedan acordar por escrito, la A.I.D. a su opción podrá dar por terminado, cualquier Actividad por la cual las condiciones antes especificadas, no se hayan cumplido y reducir el Préstamo por el monto asignado para tal Actividad, dandole notificación por escrito al Prestatario. Tal notificación especificará la fecha de vigencia de ejercicio de tal opción por parte de la A.I.D.

at its option may terminate any activity for which said Conditions as above specified have not been met and reduce the Loan by the amount herein allocated for such activity by giving written notice to the Borrower. Such notice shall specify the effective date of the exercise of such option by A.I.D.

SECCION 3.08. Notificación de Cumplimiento de las Condiciones Previyas a Desembolso. La A.I.D. notificará al Prestatario, al determinarlo así la A.I.D., que las Condiciones Previyas a Desembolso especificadas en las Secciones 3.01, 3.02, 3.03, 3.04 y 3.05 han sido cumplidas.

SECTION 3.08. Notification of Meeting Conditions Precedent to Disbursement. A.I.D. shall notify the Borrower, upon determination by A.I.D., that the Conditions Precedent to Disbursement specified in Sections 3.01, 3.02, 3.03, 3.04 and 3.05 have been met.

ARTICULO IV Estipulaciones y Garantías Generales

SECCION 4.01. Ejecución del Programa

(a) El Programa se llevará a cabo en todo momento con la diligencia y eficiencia debidas y de conformidad con prácticas adecuadas de ingeniería, construcción, financiamiento y administración. Para tal efecto, el Prestatario empleará consultores debidamente calificados y con experiencia que lo asistan en la ejecución del Programa y contratistas constructores debidamente calificados y competentes que lleven a cabo la parte de construcción del Programa.

ARTICLE IV General Covenants and Warranties

SECTION 4.01. Execution of the Program

(a) The Program will be carried out at all times with due diligence and efficiency, and in conformity with sound engineering, construction, financial, administrative and technical practices. In this connection, Borrower shall employ suitably qualified and experienced consultants to assist in the execution of the Program and suitably qualified and competent construction contractors to carry out the construction portion of the Program.

(b) El Prestatario velará porque el Programa se lleve a cabo de conformidad con todos los planes, especificaciones, contratos, programas y otros documentos del Programa y con todas las modificaciones del caso convenidas entre el Prestatario y la A.I.D., de conformidad con este Convenio.

SECCION 4.02. Fondos y Otros Recursos a Suministrarse por el Prestatario. El Prestatario suministrará tan pronto como sea necesario, todos los fondos adicionales al Préstamo, y todos los recursos requeridos para la ejecución oportuna y efectiva del Programa.

SECCION 4.03. Consultas Continuas. El Prestatario, y la A.I.D. cooperarán plenamente para asegurar que los propósitos del Préstamo sean logrados. Para este fin, el Prestatario, y la A.I.D. oportunamente y a solicitud de cualquiera de las partes cambiarán impresiones en lo concerniente al progreso del Programa, el cumplimiento del Prestatario de sus obligaciones bajo este Convenio, el cumplimiento por parte de los consultores, contratistas y suplidores relacionados con el Programa y cualquier otro asunto que se relacione con el Programa. El efecto del Programa sobre el ambiente natural deberá tomarse en consideración antes de y después del desarrollo del Programa. El Prestatario y la A.I.D. cooperarán para minimizar cualquier efecto dañino sobre el ambiente natural.

(b) Borrower shall cause the Program to be carried out in conformity with all of the plans, specifications, contracts, schedules, and other Program documents, and modifications thereto, approved by A.I.D. pursuant to this Agreement.

SECTION 4.02. Funds and Other Resources to be Provided by Borrower. Borrower shall provide promptly as need all funds, in addition to the Loan, and all other resources required for the punctual and effective carrying out of the Program.

SECTION 4.03. Continuing Consultation. Borrower and A.I.D. shall cooperate fully to assure that the purposes of the Loan will be accomplished. To this end, 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 progress of the Program, the performance by Borrower of its obligations under this Agreement, the performance of the consultants, contractors, and suppliers engaged on the Program and the matters relating to the Program. The effect of the Program upon the natural environment shall be taken into consideration prior to and during the implementation of the Program, and Borrower and A.I.D. shall cooperate to minimize any harmful effects upon the natural environment.

SECCION 4.04 Administración. El Prestatario proporcionará administración calificada y de experiencia para la realización del Programa, y capacitará el personal que sea necesario, para la ejecución del Programa.

SECCION 4.05. Operación y Mantenimiento. El Prestatario operará, mantendrá y reparará los componentes del Programa de conformidad con técnicas y prácticas adecuadas de ingeniería, financiamiento, y administración en forma tal que se asegure la realización continua y exitosa de los propósitos del Programa.

SECCION 4.06. Impuestos. Este Convenio, el Préstamo y cualquier evidencia de deuda emitida en relación con este Convenio estarán exentos de, y el Capital e intereses serán pagados sin deducción por y libres de cualquier gravamen o derechos establecidos bajo las leyes vigentes en Honduras. Con excepción del impuesto sobre la renta de ciudadanos hondureños y residentes permanentes de Honduras, al extremo que (a) cualquier contratista, incluyendo contratos por servicios personales, cualquier firma consultora o cualquier personal de dicho contratista finanziado bajo este Convenio, y cualquier propiedad o transacciones relacionadas con tales contratos; y (b) cualquier transacción de compra de bienes financiados bajo este Convenio que no estuviera exenta de

SECTION 4.04. Management. Borrower shall provide qualified and experienced management for the Program, and it shall train such staff as may be appropriate for the execution of the Program.

SECTION 4.05. Operations and Maintenance. Borrower shall operate, maintain, and repair the components of the Program in conformity with sound engineering, financial, administrative, and technical practices and in such manner as to insure the continuing and successful achievement of the purpose of the Program.

SECTION 4.06. Taxation. This Agreement, the Loan, and any evidence of indebtedness issued in connection herewith shall be free from, and the Principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within Honduras. With the exception of income taxation of citizens of Honduras and permanent residents of Honduras, to the extent that: (a) any contractor, including any personal services contractor or consulting firm, or any personnel of such a contractor financed hereunder, and any property or transactions relating to such contracts, and (b) any commodity procurement transaction financed hereunder, are not otherwise exempt from identifiable taxes, tariffs, duties, and other

impuestos, tarifas, derechos y otros gravámenes identificables establecidos bajo las leyes vigentes en Honduras el Prestatario, hasta y al grado prescrito en las Cartas de Ejecución, pagará o reembolsará los mismos de conformidad con la Sección 4.02 de este Convenio con fondos fuera de aquellos suministrados bajo el Préstamo, y fuera de aquellos fondos ya comprometidos por el Prestatario para el Programa.

SECCION 4.07 Utilización de Bienes y Servicios. Excepto cuando la A.I.D. y el Prestatario convengan de otra manera por escrito ningún de los bienes y servicios financiados con el Préstamo serán usados para promover o asistir cualquier proyecto de ayuda extranjera o actividades asociadas con o financiadas por cualquier país no incluido en el Código No. 935 del Código Geográfico de la A.I.D. en vigencia al momento de tal uso.

SECCION 4.08. Exposición de Hechos y Circunstancias Esenciales. El Prestatario manifiesta y garantiza que todos los hechos y circunstancias que ha expuesto que motivó para que se expusieran a la A.I.D. durante el curso de la obtención del Préstamo son exactos y completos y que han expuesto a la A.I.D. con exactitud y completamente los hechos y circunstancias que pueden afectar materialmente al Programa y el cumplimiento de sus obligaciones bajo este Convenio.

levies imposed under laws in effect in Honduras, Borrower shall to the extent prescribed in and pursuant to Implementation Letters pay or reimburse the same under Section 4.02 of this Agreement with funds other than those provided under the Loan, and from funds other than those already committed to the Program by Borrower.

SECTION 4.07 Utilization of Goods and Services. Except as Borrower and A.I.D. may otherwise agree in writing, no goods or services financed under the Loan shall be used to promote or assist any foreign aid project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION 4.08. Disclosure of Material Facts and Circumstances. Borrower represents and warrants that all facts and circumstances which it has disclosed to A.I.D. or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete and that it has disclosed to A.I.D. accurately and completely, all facts and circumstances that might materially affect the Program and the discharge of its obligations under this Agreement. The

El Prestatario informará prontamente a la A.I.D. de cualquier hecho y circunstancia que pueda surgir de ahora en adelante que pudiesen afectar o que se crea pueda razonablemente afectar materialmente al Programa o el cumplimiento de las obligaciones del Prestatario bajo este Convenio.

SECCION 4.09. Comisiones, Honorarios y Otros Pagos.

(a) El Prestatario garantiza y conviene que en relación con la obtención del Préstamo, o con la ejecución de cualquier acción, o con relación a este Convenio, no ha pagado, ni pagará o conpondrá en pagar, ni a su mejor saber se ha pagado ni se pagará o convenido en pagar por otra persona o entidad, comisiones, honorarios u otros pagos de cualquier otra naturaleza, a excepción de los sueldos regulares de los funcionarios y empleados del Prestatario, o como compensación de servicios profesionales, técnicos o similares de buena fe. El Prestatario informará prontamente a la A.I.D. de cualquier pago o convenio de pago para tales servicios profesionales, técnicos o similares de buena fe, de los cuales sean parte o de lo cual tenga conocimiento (indicando si tal pago se ha hecho o se efectuará a base de imprevisto) y, si la cantidad de cualquier pago es considerada irrazonable por la A.I.D., la misma será ajustada de manera satisfactoria a la A.I.D.

(b) El Prestatario garantiza

Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise which might materially affect, or which it is reasonable to believe might materially affect, the Program or the discharge of the Borrower's obligations under this Agreement.

SECTION 4.09. Commissions, Fees, and Other Payments.

(a) Borrower warrants and covenants that in connection with obtaining the Loan or taking any action under or with respect to this Agreement, it has not paid, and will not pay or agree to pay, nor to the best of its knowledge has there been paid nor will there be paid or agree to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to Borrower's full time officers and employees or as compensation for bona fide professional, technical, or comparable services. Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical, or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by A.I.D., the same shall be adjusted in a manner satisfactory to A.I.D.

(b) Borrower warrants and

y conviene que no se han recibido ni se recibirán beneficios por el Prestatario o por cualquier funcionario del Prestatario en relación con la compra de bienes y servicios financiados bajo este Convenio a excepción de honorarios, impuestos o pagos similares establecidos legalmente en Honduras.

SECCION 4.10. Mantenimiento y Auditoría de Registros. El Prestatario mantendrá y velará porque se mantenga de acuerdo con las prácticas y principios contables adecuados y consistentemente aplicables, registros contables relacionados con el Programa y con este Convenio. Tales registros contables sin limitación, deberán ser adecuados para indicar:

(a) el recibo y uso de los bienes y servicios adquiridos con fondos desembolsados de conformidad con este Convenio;

(b) la naturaleza y magnitud de las ofertas de los presuntos proveedores de los bienes y servicios adquiridos;

(c) las bases de otorgamiento de contratos y órdenes a los licitantes favorecidos; y

(d) el progreso del Programa.

Los registros contables serán auditados regularmente, de acuerdo con las prácticas adecuadas de auditoría, para tales períodos y en los

covenants that no benefits have been or will be received by Borrower or any official of Borrower in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payments legally established in Honduras.

SECTION 4.10. Maintenance and Audit of Records. Borrower shall maintain, or cause to be maintained, in accordance with sound accounting principles and practices consistently applied, books and records relating both to the Program and to this Agreement. Such books and records shall, without limitation, be adequate to show:

(a) the receipt and use of goods and services acquired with funds disbursed pursuant to this Agreement;

(b) the nature and extent of solicitations of prospective suppliers of goods and services acquired;

(c) the basis of the award of contracts and orders to successful bidders; and

(d) the progress of the Program.
Such books and records shall be regularly audited, in accordance with sound auditing standards, for such period and at such intervals

intervalos que la A.I.D. lo solicite y se conservarán por cinco años posteriores a la fecha del último desembolso efectuado por la A.I.D., o hasta que todas las sumas adeudadas a la A.I.D. bajo este Convenio, hayan sido pagadas, cualquier fecha que ocurra primero.

SECCION 4.11. Informes. El Prestatario suministrará a la A.I.D. la información e informes relacionados con el Préstamo, y el Programa que sean solicitados por la A.I.D.

SECCION 4.12. Inspecciones. Los representantes autorizados de la A.I.D. tendrán derecho en toda ocasión razonable a inspeccionar las actividades del Programa, la utilización de todos los bienes y servicios financiados con el Préstamo, los registros contables y otros documentos del Prestatario relacionados con el Programa. El Prestatario cooperará con la A.I.D. para facilitar tales inspecciones y permitirá que los representantes de la A.I.D. puedan visitar cualquier parte de Honduras para cualquier propósito relacionado con el Préstamo.

SECCION 4.13. Asistencia Técnica. El Prestatario mantendrá o de lo contrario suministrará en forma y contenido satisfactorios al Prestatario y la A.I.D., durante la duración del Programa, la asistencia técnica que pueda ser necesaria para asegurar satisfactoriamente la ejecución del Programa.

as A.I.D. may request, and shall be maintained for five years after the date of the last disbursement made by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur

SECTION 4.11. Reports. Borrower shall furnish to A.I.D. such information and reports relating to the Loan and to the Program as A.I.D. may request.

SECTION 4.12. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect Program activities, the utilization of all goods and services financed under the Loan, and Borrower's books, records, and other documents relating to the Program. Borrower shall cooperate with A.I.D. to facilitate such inspections and shall permit representatives of A.I.D. to visit any part of Honduras for any purpose relating to the Loan.

SECTION 4.13. Technical Assistance. Borrower shall retain or otherwise provide in form and substance satisfactory to Borrower and A.I.D., for the duration of the Program, such technical assistance as may be necessary to ensure satisfactory implementation of the Program.

ARTICULO V

Estipulaciones Especiales

SECCION 5.01. Evaluación del Programa. El Prestatario conviene en que dentro de los seis meses siguientes a la celebración de este Convenio, llevará a cabo conjuntamente con la A.I.D. y las Dependencias Ejecutoras, una revisión y evaluación de todas las Actividades financiadas bajo el Préstamo a que se refiere a la Sección 1.02 de este Convenio de Préstamo.

SECCION 5.02. Fondo de Estabilización de Granos. El Prestatario velará porque el Fondo Rotativo de Estabilización de Granos establecido de conformidad a los términos y condiciones de los Convenios de Préstamo relacionados con los Préstamos de A.I.D. Nos. 522-L-021 y 522-T-025 se mantenga al nivel que incluya el total de las aportaciones al mismo por parte de los Préstamos en referencia y las aportaciones de este Préstamo según se especifican en el Anexo I de este Convenio y las del BNF según lo establecido de conformidad con las Secciones 3.01 (e) y 6.04 del Convenio de Préstamo de A.I.D. No. 522-L-021 y la Sección 5.03 del Convenio de Préstamo de A.I.D. No. 522-T-025. En caso de que en cualquier época el fondo antes citado fuese menor que el nivel mencionado, el Prestatario conviene en aportar de inmediato al Fondo recursos suficientes de

ARTICLE V

Special Covenants

SECTION 5.01. Evaluation of the Program. Borrower covenants that within six months next succeeding the execution of this Agreement, it will conduct jointly with A.I.D. and the Executing Agencies a review and evaluation of all of the Loan-financed Activities referred to herein in Section 1.02.

SECTION 5.02. Grain Stabilization Fund. Borrower shall cause the Grain Stabilization Revolving Fund established pursuant to the terms and conditions of the Loan Agreements relating to A.I.D. Loan Nos. 522-L-021 and 522-T-025 to be maintained at that level comprising total contributions thereto from referenced Loans and the contribution of this Loan as specified in Annex I of this Agreement and from BNF as establish pursuant to Sections 3.01 (e) and 6.04 of A.I.D. Loan Agreement No. 522-L-021 and Section 5.03 of the A.I.D. Loan Agreement No. 522-T-025. If at any time said Fund should fall below said level, Borrower covenants to contribute forthwith to such Fund sufficient funds from its own resources to restore such Fund to its established level as aforesaid.

sus propios fondos para restituir el Fondo a su nivel antes establecido.

SECCION 5.03. Líneas de Crédito - Banco Central de Honduras. El Prestatario se compromete, durante el periodo de desembolsos del Préstamo, a utilizar su financiamiento del Banco Central de Honduras en montos que permitan a esta institución, continuar otorgando sus líneas de crédito existentes por el equivalente de cuatro millones quinientos mil Dólares Estadounidenses (\$4,500,000), disponibles al BNF, para el financiamiento de granos básicos y otros productos agrícolas y para la rehabilitación de pequeños agricultores, y que tales líneas de crédito serán la contraparte en moneda local para la utilización del Préstamo, con el propósito de llevar a cabo las actividades agrícolas antes mencionadas.

SECCION 5.04. Fondo Especial. El Prestatario conviene, en que el Fondo Especial que establezca el INVA de conformidad con la Sección 3.05(c) de este Convenio, será mantenido y utilizado continuamente durante la vida del Programa para los propósitos, objeto de su creación, y que todos los fondos desembolsados por la A.I.D. para la Actividad de Reconstrucción de Viviendas Rurales serán acreditados al Fondo Especial.

SECCION 5.05. Hipotecas Financiadas con Fondos del Préstamo. A menos que la A.I.D. acuerde de otra manera por escrito, el Prestatario conviene en que todas las hipotecas financiadas con fondos del Préstamo bajo la Actividad de Reconstrucción de Viviendas Rurales deberán:

1. Haberse originado posterior a la fecha de este Convenio;
2. Cubrir viviendas cuyo precio de venta no exceda los cuatrocientos Dólares Estadounidenses (\$400) por unidad; y
3. Permitir al INVA emitir títulos valores utilizando como garantía la cartera de hipotecas generadas con el Fondo Especial.

SECTION 5.03. Lines of Credit - Central Bank of Honduras. Borrower covenants that during the disbursement period of the Loan, it will utilize financing from the Central Bank of Honduras in amounts that will permit the Central Bank to continue making available to the BNF existing lines of credit equivalent to four million five hundred thousand United States Dollars (\$4,500,000) for the financing of basic grains and other agricultural products and the rehabilitation of small farmers, and that such lines of credit will be the local currency counterpart to the Loan for the purposes of carrying out these agricultural activities.

SECTION 5.04. Special Fund. Borrower covenants that the Special Fund established by INVA pursuant to Section 3.05(c) herein will be maintained and utilized continuously throughout the life of the Program for its intended purposes and that all funds disbursed by A.I.D. for the Rural Shelter Reconstruction Activity will be credited to said Special Fund.

SECTION 5.05. Mortgages Financed with Loan Funds. Unless A.I.D. agrees otherwise in writing, Borrower covenants that all mortgages financed with loan funds under the Rural Shelter Reconstruction Activity shall:

1. Have originated subsequent to the date of this Agreement;
2. Cover shelter units having a sales price not in excess of four hundred United States Dollars (\$400) per unit; and
3. Permit INVA to issue bonds utilizing the mortgage portfolio generated by the Special Fund as security therefor.

SECCION 5.06. Fondos de las Amortizaciones de Hipotecas. El Prestatario conviene que durante la vigencia del Programa, todos los fondos recibidos por el Prestatario o el INVA provenientes de amortizaciones de hipotecas financiadas con fondos del Préstamo bajo la Actividad de Reconstrucción de Viviendas Rurales, serán acreditados al Fondo Especial y utilizados de conformidad con el plan a que se refiere en la Sección 3.05 (d).

SECCION 5.07 Financiamiento Interino. El Prestatario conviene en que en la ejecución de la Actividad de Reconstrucción de Viviendas Rurales, permitirá que el INVA utilice fondos del Préstamo directamente para financiamiento interino para facilitar la reconstrucción de viviendas individuales o en grupos, o adelantará fondos del Préstamo a organizaciones aprobadas por el Prestatario y la A.I.D. para los propósitos antes mencionados, sujeto, sin embargo, a que INVA coordine y supervise las viviendas así financiadas.

SECCION 5.08 Asistencia Técnica Para la Actividad de Reconstrucción de Viviendas Rurales. El Prestatario conviene en que en la ejecución de la Actividad de Reconstrucción de Viviendas Rurales, los fondos del Préstamo hasta una cantidad que no exceda de Cuarenta Mil Dólares Estadounidenses (\$40,000) podrán utilizarse para

SECTION 5.06 Mortgage Renayment Fund. Borrower covenants that throughout the life of the Program all funds received by Borrower or INVA from repayments of mortgages financed with Loan funds pursuant to the Rural Shelter Reconstruction Activity shall be credited to the Special Fund utilized in accordance with the plan referred to herein in Section 3.05 (d).

SECTION 5.07 Interim Financing. Borrower covenants that in implementing the Rural Shelter Reconstruction Activity it shall permit INVA to utilize Loan funds directly for interim financing to facilitate the reconstruction of individual and cluster shelter units; or it shall advance Loan funds to organizations approved by Borrower and A.I.D. For the purposes aforesaid, subject, however, to INVA's coordination and supervision of shelter units so financed.

SECTION 5.08 Technical Assistance for the Rural Shelter Reconstruction Activity. Borrower covenants that in implementing the Rural Shelter Reconstruction Activity Loan funds in an amount not in excess of Forty Thousand United States dollars (\$40,000) shall be utilized for technical services in accordance with a written contract

servicios técnicos, de conformidad con un contrato escrito, que deberá ser previamente aprobado por escrito por el Prestatario y la A.I.D.

ARTICULO VI
Compras

SECCION 6.01. Compras Elegibles fuera del Area Centroamericana. Excepto cuando el Prestatario y la A.I.D. convengan de otra manera por escrito, y exceptuando lo establecido en la Sub-Sección 6.08(c) con respecto a seguro marítimo, los desembolsos efectuados de conformidad con la Sección 7.01 serán utilizados exclusivamente para financiar la compra de bienes y servicios del Programa que tengan su fuente y origen en los países incluidos en el Código 941 del Código Geográfico de la A.I.D. en vigencia al momento en que se colocuen las órdenes o se celebren los contratos para tales bienes y servicios, a excepción de los Países Centroamericanos ("Bienes y Servicios Elegibles"). Todo flete marítimo financiado bajo este Préstamo tendrá su fuente y origen en los países incluidos en el Código 941 del Código Geográfico de la A.I.D. en vigencia al momento del embarque, a excepción de los Países Centroamericanos

SECCION 6.02. Compras Elegibles en Centro America. Excepto cuando el Prestatario y la A.I.D. convengan de otra manera por escrito, los desembolsos efectuados de conformidad con la Sección 7.02 serán

therefor, / which said contract shall be subject to the prior written approval of Borrower and A.I.D.

ARTICLE VI
Procurement

SECTION 6.01. Eligible Procurement Outside Central America. Except as Borrower and A.I.D. may otherwise agree in writing, and except as provided in sub-section 6.08 (c) with respect to marine insurance, disbursements made pursuant to Section 7.01 shall be used exclusively to finance the procurement for the Program of goods and services 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 are entered into for such goods and services, except for the countries of Central America ("Eligible Goods and Services") All ocean shipping financed under the Loan shall have both its source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of shipment, except for countries of Central America.

SECTION 6.02. Eligible Procurement from Central America. Except as Borrower and A.I.D. may otherwise agree in writing, disbursements made pursuant to Section 7.02 shall be used exclusively to fi-

usados exclusivamente para financiar las compras de bienes y servicios del Programa que tengan ambos su fuente y origen en países Centroamericanos.

SECCION 6.03. Fecha de Elegibilidad. Excepto cuando la A.I.D. y el Prestatario convengan de otra manera por escrito, ningún articulo o servicio podrá ser finanziado con este Préstamo que se haya obtenido de conformidad con órdenes o contratos firmemente emitidos o celebrados en fechas anteriores a la de este Convenio.

SECCION 6.04. Bienes y Servicios no Financiados con el Préstamo. Los bienes y servicios obtenidos para el Programa, pero no financiados con el Préstamo, tendrán su fuente y origen en los países incluidos en el Código No. 935 del Código Geográfico de la A.I.D. en vigencia al momento de colocar las órdenes para tales bienes y servicios.

SECCION 6.05. Ejecución de los Requisitos de Compras. Las definiciones aplicables a los requisitos de elegibilidad que aparecen en las Secciones 6.01, 6.02 y 6.04 serán explicadas en detalle en Cartas de Ejecución.

SECCION 6.06. Planos, Especificaciones y Contratos.

(a) Con excepción de lo que el Prestatario y la A.I.D. puedan de otra manera acordar por escrito,

nance the procurement for the Program of goods and services having both their source and origin in countries of Central America.

SECTION 6.03. Eligibility Date. Except as Borrower and A.I.D. may otherwise agree in writing, no goods or services may be financed under the Loan which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement.

SECTION 6.04. Goods and Services Not Financed Under the Loan. Goods and services procured for the Program, but not financed under the Loan, shall have their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time orders are placed for such goods and services.

SECTION 6.05. Implementation of Procurement Requirements. The definitions applicable to the eligibility requirements of Sections 6.01, 6.02 and 6.04 will be set forth in detail in Implementation Letters.

SECTION 6.06. Plans, Specifications and Contracts.

(a) Except as Borrower and A.I.D. may otherwise agree in writing, Borrower shall furnish

el Prestatario suministrará a la A.I.D. a la mayor brevedad posible después de ser preparados todos los planos, especificaciones, programas de construcción, documentos de licitación y contratos o los demás arreglos directamente relacionados y financiados con fondos del Programa.

(b) A excepción de lo que el Prestatario y la A.I.D. puedan de otra manera acordar por escrito, toda la documentación suministrada de conformidad con la subsección (a) anterior será aprobada por escrito por la A.I.D.

(c) Todos los documentos de licitación y solicitudes de ofertas relacionados con los bienes y servicios financiados con el Préstamo serán aprobados por el Prestatario y la A.I.D. por escrito antes de ser emitidos. A menos que el Prestatario y la A.I.D., convengan de otra manera por escrito todos los planos, especificaciones y otros documentos relacionados con bienes y servicios financiados con el Préstamo serán en términos de medidas y normas técnicas de los Estados Unidos de América.

(d) Antes de su celebración la A.I.D. aprobará por escrito los siguientes contratos financiados bajo el Préstamo:

(i) contratos de ingeniería, consultoría u otros servicios profesionales;

(ii) contratos para servicios de construcción;

to A.I.D. promptly upon preparation all plans, specifications, construction schedules, bid documents and contracts or other arrangements directly relating to and financed with funds of the Program.

(b) Except as Borrower and A.I.D. may otherwise agree in writing, all documents furnished pursuant to subsection (a) above shall be approved by A.I.D. in writing.

(c) All bid documents and documents related to the solicitation of proposals concerning goods and services financed under the Loan shall be approved by Borrower and A.I.D. in writing prior to their issuance. All plans, specifications and other documents relating to goods and services financed under the Loan shall be in terms of United States technical standards and measurements, except as A.I.D. may otherwise agree in writing.

(d) The following contracts financed under the Loan shall be approved by A.I.D. in writing prior to their execution.

(i) contracts for engineering, consultant and other professional services;

(ii) contracts for construction services;

(iii) contratos para cualquier otro servicio que la A.I.D. pudiera especificar; y

(iv) contratos para equipo u otros bienes.

Para cualquiera de los contratos para servicios antes mencionados la A.I.D. también aprobará, por escrito, al contratista y cualquier otro personal del contratista que la A.I.D. pudiera desear aprobar. Las modificaciones substanciales en cualquiera de los contratos y los cambios de personal deberán también ser aprobados por la A.I.D., por escrito, antes de su vigencia.

(e) Las firmas consultoras (incluyendo consultores en administración) empleadas por el Prestatario y financiadas con fondos del Programa, así como el alcance de sus servicios y el personal por ellas asignada al Programa, y los contratistas para construcción empleados por el Prestatario para el Programa, serán previamente aprobados por la A.I.D.

SECCION 6.07 Precio Razonable.
No se pagarán más que precios razonables por los bienes y servicios financiados en su totalidad o en parte con fondos del Préstamo. Tales artículos se adquirirán sobre bases justas y, con excepción de los servicios profesionales, sobre bases competitivas y de conformidad con los procedimientos prescritos en Cartas de Ejecución.

(iii) contracts for such other services as A.I.D. may specify; and

(iv) contracts for equipment and other commodities.

In the case of any of the above contracts for services, A.I.D. shall also approve in writing the contractor and such contractor personnel as A.I.D. may wish to approve. Material modifications in any of such contracts and changes in any of such personnel shall also be approved by A.I.D. in writing prior to their becoming effective.

(e) Consulting firms (including management consultants, used by Borrower for the Program and financed under the Program, as well as the scope of their services and any of their personnel assigned to the Program, and all construction contractors used by Borrower for the Program, shall have prior approval of A.I.D.

SECTION 6.07. Reasonable Price.
No more than reasonable prices shall be paid for any goods or services financed, in whole or in part, under the Loan. Such items shall be procured on a fair and, except for professional services, on a competitive basis in accordance with procedures prescribed in Implementation Letters.

SECCION 6.08 Transporte y Seguro.

(a) Los Bienes Elegibles financiados con el Préstamo serán transportados a Honduras en naves de bandera de los países incluidos en el Código No. 935 del Código Geográfico de la A.I.D. en vigencia al momento del embarque.

(b) Por lo menos el cincuenta por ciento (50%) del tonelaje bruto de todos los Bienes Elegibles financiados con el Préstamo (computado separadamente para transportes de carga a granel, de carga seca y barcos tanques) que sean transportados en naves marítimas serán transportados en naves comerciales de propiedad privada de bandera Estadounidense, al menos que la A.I.D. determine que tales naves no están disponibles con tarifas justas y razonables para barcos comerciales de bandera Estadounidense. Además, por lo menos el cincuenta por ciento (50%) de los ingresos brutos generados por transporte de todos los embarques financiados bajo el Préstamo y transportados en naves de carga a granel, serán pagados a o para beneficio de naves comerciales de propiedad privada de bandera Estadounidense, al menos que la A.I.D. determine que tales naves no están disponibles con tarifas justas y razonables para barcos comerciales de bandera Estadounidense. Ningún artículo financiado con el Préstamo podrá ser transportado en barcos o (naves aéreas) que (i) la A.I.D.

SECTION 6.08. Shipping and Insurance.

(a) Eligible Goods financed under the Loan shall be transported to Honduras on flag carriers of any country included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of shipment

(b) At least fifty percent (50%) of the gross tonnage of all Eligible Goods financed under the Loan (computed separately for dry bulk carriers, dry cargo liners, and tankers) which shall be transported on ocean vessels, shall be transported on privately owned United States flag commercial vessels unless A.I.D. shall determine that such vessels are not available at fair and reasonable rates for United States flag commercial vessels. In addition, at least fifty percent (50%) of the gross freight revenue generated by all shipments financed under the Loan and transported on dry cargo liners shall be paid to or for the benefit of privately owned United States flag commercial vessels, unless A.I.D. shall determine that such vessels are not available at fair and reasonable rates for United States flag commercial vessels. No goods financed under the Loan may be transported on any ocean vessel (or aircraft) (i) which A.I.D., in a notice to Borrower, has designated as ineligible to carry A.I.D. financed goods or (ii) which has been chartered for the carriage of A.I.D. financed

mediante notificación al Prestatario haya designado como ineligibles para transportar bienes financiados por la A.I.D., o (ii) que hayan sido alquilados para transporte de bienes financiados por la A.I.D. a menos que el alquiler haya sido aprobado por la A.I.D.

(c) El seguro marítimo de los Bienes Elegibles podrá ser financiado con el Préstamo con desembolsos efectuados de conformidad con la Sección 7.01 siempre y cuando: (i) tal seguro sea colocado a la tarifa competitiva más baja disponible en los países Centroamericanos, o en alguno de los países incluidos en el Código 941 del Código Geográfico de la A.I.D. en vigencia al momento de su colocación, y (ii) que los reclamos que se deriven sean pagaderos en moneda de libre convertibilidad. Si en relación con la colocación del seguro marítimo en embarques financiados bajo la legislación de los Estados Unidos de América que autoriza la asistencia a otras naciones, Honduras, por estatuto, decreto, ley o reglamento favorece a cualquier compañía de cualquier país sobre cualquier compañía de seguro marítimo autorizada para este negocio en cualquier estado de los Estados Unidos de América, los Bienes Elegibles financiados con el Préstamo estarán, durante la continuación de tal discriminación, asegurados contra riesgos marítimos en los Estados Unidos de América con una compañía o compañías

goods unless such charter has been approved by A.I.D.

(c) Marine insurance on Eligible Goods may be financed under the Loan with disbursements made pursuant to Section 7.01 provided: (i) such insurance is placed at the lowest available competitive rate in countries of Central America or in a country included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of placement thereof; and (ii) claims thereunder are payable in a freely convertible currency. If in connection with the placement of marine insurance on shipments financed under United States legislation authorizing assistance to other nations, Honduras by statute, decree, rule, or regulation favors any marine insurance company of any country over any marine insurance company authorized to do business in any state of the United States of America, Eligible Goods financed under the Loan shall during the continuance of such discrimination be insured against marine risk in the United States of America with a company or companies authorized to do a marine insurance business in any state of the United States of America.

autorizadas para llevar a cabo negocios de seguro marítimo en cualquier estado de los Estados Unidos de América.

(d) El Prestatario asegurará o velará porque se aseguren todos los Bienes Elegibles financiados con el Préstamo contra riesgos incidentes a su tránsito hasta el lugar de su uso en el Programa. Tal seguro será emitido en términos y condiciones consistentes con las prácticas comerciales adecuadas, asegurando el valor completo de los bienes, y pagadero en la moneda en la cual fueron financiados tales bienes o en cualquier moneda de libre convertibilidad. Cualquier indemnización recibida por el Prestatario bajo tal seguro será utilizada para reemplazar o reparar cualquier daño material o cualquier pérdida de los bienes asegurados o será utilizada para reembolsar al Prestatario por el reemplazo o reparación de tales bienes. Cualquier reemplazo tendrá su fuente y origen en los países Centroamericanos o en los países incluidos en el Código 941 del Código Geográfico de la A.I.D. en vigencia al momento de colocar las órdenes o celebrar los contratos para tales reemplazos y estarán de esta manera sujetos a las estipulaciones de este Convenio.

(d) Borrower shall insure, or cause to be insured, all Eligible Goods financed under the Loan against risks incident to their transit to the point of their use in the Program. Such insurance shall be issued upon terms and condition consistent with sound commercial practice, shall insure the full value of the goods, and shall be payable in the currency in which such goods were financed on in any freely convertible currency. Any indemnification received by Borrower under such insurance shall be used to replace or repair any material damage or any loss of the goods insured or shall be used to reimburse Borrower for the replacement or repair of such goods. Any such replacements shall have their source and origin in countries of Central America or 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 are entered into for such replacements, and shall be otherwise subject to the provisions of this Agreement.

SECCION 6.09. Notificación a Presuntos Suplidores. Para que todas las compañías de los Estados Unidos de América tengan la oportunidad de participar en el suministro de bienes y servicios financiados con el

SECTION 6.09. Notification to Potential Suppliers. In order that all United States firms shall have the opportunity to participate in furnishing goods and services to be financed under the Loan, Borrow-

Préstamo, el Prestatario suministrará a la A.I.D. la información relativa y en las fechas en que la A.I.D. lo solicite, mediante Cartas de Ejecución.

SECCION 6.10. Propiedad Excedente del Gobierno de los Estados Unidos de América. El Prestatario, cuando sea consistente con los objetivos del Programa utilizará con relación a los bienes financiados con el Préstamo de los cuales el Prestatario o sus Dependencias Ejecutoras asuman título de propiedad al adquirirlos la Propiedad Excedente reacondicionada del Gobierno de los Estados Unidos de América, que pueda estar disponible dentro de un período de tiempo razonable. El Prestatario solicitará la asistencia de la A.I.D. y la A.I.D. asistirá al Prestatario para asegurar la disponibilidad y compra de la Propiedad Excedente. La A.I.D. hará los arreglos para cualquier inspección que fuese necesaria por parte del Prestatario o su representante. Los costos de inspección y adquisición, y todos los gastos relacionados con el traslado de la Propiedad Excedente al Prestatario o sus Dependencias Ejecutoras, podrán ser financiados con el Préstamo. Previo a la compra de bienes que no sean de los de la Propiedad Excedente financiados con el Préstamo, y después de haber buscado la asistencia de la A.I.D. el Prestatario indicará a la A.I.D. por escrito, basándose en la información entonces disponible, ya sea de

er shall furnish to A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Implementation Letters.

SECTION 6.10. United States Government-Owned Excess Property
Borrower, where consistent with Program objectives, shall utilize with respect to goods financed under the Loan to which Borrower or its Executing Agencies take title at the time of procurement such reconditioned United States Government-Owned Excess Property as may be available within a reasonable period of time. Borrower shall seek assistance from A.I.D. and A.I.D. will assist Borrower in ascertaining the availability of and in obtaining such Excess Property. A.I.D. will make arrangements for any necessary inspection of such property by the Borrower, or its representative. The costs of inspection and of acquisition, and all charges incident to the transfer to the Borrower or its Executing Agencies of such excess property may be financed under the Loan. Prior to the procurement of any goods other than Excess Property financed under the Loan and after having sought such A.I.D. assistance, Borrower shall indicate to A.I.D. in writing, on the basis of information then available to it, either that such goods cannot be made available from reconditioned United States Government-Owned Excess Property on a timely basis,

que tales bienes no están disponibles de la Propiedad Excedente reacondicionada del Gobierno de los Estados Unidos de América en un tiempo oportuno, o que los bienes disponibles no son técnicamente y económicamente apropiados para ser utilizados en el Programa.

SECCION 6.11. Información y Marcas
 El Prestatario le dará publicidad al Préstamo y al Programa como un programa de asistencia de los Estados Unidos de América en apoyo de la Alianza para el Progreso, marcando los bienes financiados con el Préstamo, tal como se especifique en Cartas de Ejecución.

SECCION 6.12. Empleo de Nacionales no Elegibles en Contratos de Construcción. El empleo del personal para prestar servicios bajo cualquier contrato de construcción financiado con el Préstamo estará sujeto a ciertos requerimientos con respecto a nacionales de otros países que no sean de los países Centroamericanos y de los países incluidos en el Código 941 del Código Geográfico de la A.I.D. en vigencia al momento de celebrarse el contrato de construcción. Estos requerimientos se explicarán en Cartas de Ejecución.

ARTICULO VII Desembolsos

SECCION 7.01. Desembolsos por Costos en Dólares Estadounidenses Al satisfacerse las Condiciones Previas, el Prestatario podrá

or that the goods that can be made available are not technically and economically suitable for use in the Program.

SECTION 6.11. Information and Marking. Borrower shall give publicity to the Loan and the Program as a program of United States aid in furtherance of the Alliance for Progress and mark goods financed under the Loan as prescribed in Implementation Letters.

SECTION 6.12. Employment of Non-Eligible Nationals Under Construction Contracts. The employment of personnel to perform services under any construction contract financed under the Loan shall be subject to certain requirements with respect to nationals of other than countries of Central America and countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time the construction contract is entered into. These requirements will be prescribed in Implementation Letters.

ARTICLE VII Disbursements

SECTION 7.01. Disbursements for United States Dollar Costs. Upon satisfaction of Conditions Precedent Borrower may, from time to time,

oportunamente solicitar a la A.I.D., la emisión de Cartas de Compromiso por cantidades específicas a uno o más bancos Estadounidenses, a satisfacción de la A.I.D., comprometiéndose la A.I.D. a reembolsar al banco o bancos por los pagos hechos por ellos a los contratistas o proveedores mediante el uso de Cartas de Crédito o por otros medios, por los costos en dólares de los bienes y servicios comprados para el Programa de conformidad con los términos y condiciones de este Convenio. El pago por el banco a un contratista o suplidor será efectuado por el banco a la presentación de los documentos de amparo que que la A.I.D. pueda prescribir en las Cartas de Compromiso y Cartas de Ejecución. Los gastos bancarios contraídos en relación con las Cartas de Compromiso y Cartas de Crédito, serán por cuenta del Prestatario y podrán ser financiados con el Préstamo.

SECCION 7.02. Desembolsos por Costos en Lempiras. Al satisfacerse las Condiciones Previias, el Prestatario podrá solicitar oportunamente desembolsos, a la A.I.D., en Lempiras por Costos en Lempiras de bienes y servicios comprados para el Programa de conformidad con los términos y condiciones de este Convenio, suministrando a la A.I.D. la documentación de amparo que la A.I.D. pueda prescribir en Cartas de Ejecución. La A.I.D. hará tales desembolsos de Lempiras propiedad del Gobierno de los Estados

request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States 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, through the use of Letters of Credit or otherwise, for dollar costs of goods and services procured for the Program in accordance with the terms and conditions of this Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. Banking charges incurred in connection with Letters of Commitment and Letters of Credit shall be for the account of Borrower and may be financed under the Loan.

SECTION 7.02. Disbursement for Lempira Costs. Upon satisfaction of Conditions Precedent, Borrower may, from time to time, request disbursement by A.I.D. of Lempiras for Lempira Costs of goods and services procured for the Program in accordance with the terms and conditions of this Agreement by submitting to A.I.D. such supporting documentation as A.I.D. may prescribe in Implementation Letters. A.I.D. shall make such disbursements from Lempiras owned by the United States Government and obtained by

Unidos de América y obtenidos por la A.I.D. con dólares Estadounidenses. El equivalente en dólares Estadounidenses de los Lempiras proporcionados por este medio será la cantidad de dólares Estadounidenses requeridos por la A.I.D. para obtener los Lempiras.

SECCION 7.03 Otras Formas de Desembolso. El Prestatario y la A.I.D., podrán acordar por escrito otros medios de desembolso del Préstamo.

SECCION 7.04 Fecha de Desembolso. Los desembolsos de la A.I.D. se considerarán como ocurridos, (a) en el caso de desembolsos de conformidad con la Sección 7.01, en la fecha en que la A.I.D. le pague al Prestatario, a su designado, o a una institución bancaria de conformidad con una Carta de Compromiso, y (b) en el caso de desembolsos de conformidad con la Sección 7.02 en la fecha que la A.I.D. pague en Lempiras al Prestatario o a su designado.

SECCION 7.05. Fecha Final para Desembolso. Excepto cuando el Prestatario y la A.I.D., convengan de otra manera por escrito, ninguna Carta de Compromiso u otros documentos de compromiso o consiguientes enmiendas, serán emitidas en respuesta a solicitudes recibidas por la A.I.D. después de doce (12) meses posteriores a la fecha en que las Condiciones Previas a Desembolso Inicial, especificadas en la Sección 3.01, hayan sido

A.I.D. with United States dollars. The United States dollar equivalent of the Lempiras made available hereunder will be the amount of United States dollars required by A.I.D. to obtain the Lempiras.

SECTION 7.03 Other Forms of Disbursements. Disbursements of the Loan may also be made through such other means as Borrower and A.I.D. may agree to in writing.

SECTION 7.04 Date of Disbursement. Disbursements by A.I.D. shall be deemed to occur, (a) in the case of disbursements pursuant to Section 7.01, on the date on which A.I.D. makes a disbursement to Borrower, its designee, or a banking institution pursuant to a Letter of Commitment and (b) in the case of disbursement pursuant to Section 7.02, on the date on which A.I.D. disburses Lempiras to the Borrower or its designee.

SECTION 7.05. Terminal Date For Disbursement. Except as A.I.D. may otherwise agree in writing, no Letter of Commitment or other commitment documents or amendments thereto shall be issued in response to requests received by A.I.D. after twelve (12) months next succeeding the date Conditions Precedent to Initial Disbursement as specified in Section 3.01 have been met, and no disbursement shall be made against documentation

cumplidas, y no se hará desembolso alguno contra documentación recibida por la A.I.D. o por algún banco según la Sección 7.01 después de quince (15) meses posteriores a la fecha en que las Condiciones Previas a Desembolso, especificadas en la Sección 3.01 hayan sido satisfechas. La A.I.D. a su opción podrá en cualquier época o épocas, posterior a la fecha antes citada, reducir el Préstamo, por todo o alguna parte del mismo por la cual no se haya recibido documentación a tal fecha.

ARTICULO VIII
Cancelación y Suspensión

SECCION 8.01. Cancelación por el Prestatario. El Prestatario podrá, con el consentimiento previo por escrito de la A.I.D., según notificación escrita a la A.I.D., cancelar cualquier parte del Préstamo que (i) con anterioridad a tal notificación la A.I.D. no haya desembolsado o comprometido a desembolsar, o que (ii) no haya sido entonces utilizado mediante la emisión de Cartas de Crédito irrevocables.

SECCION 8.02. Casos de Incumplimiento; Aceleración. Si uno o más de los siguientes casos ("Casos de Incumplimiento") ocurriera:

(a) Que el Prestatario faltare al pago al vencimiento de cualquier interés o amortización de Capital requerido bajo este Convenio;

received by A.I.D. or any bank described in Section 7.01 after fifteen (15) months next succeeding the date all Conditions Precedent to Initial Disbursement specified in Section 3.01, have been met. A.I.D. at its option may at any time or times after said latter date reduce the Loan by all or any part thereof for which documentation was not received by such date.

ARTICLE VIII
Cancellation and Suspension

SECTION 8.01. Cancellation by Borrower. Borrower may, with the prior written consent of A.I.D., by written notice to A.I.D., cancel any part of the Loan (i) which, prior to the giving of such notice A.I.D. has not disbursed or committed itself to disburse, or (ii) which has not then been utilized through the issuance of irrevocable Letters of Credit.

SECTION 8.02. Events of Default; Acceleration. If any one or more of the following events ("Events of Default") shall occur:

(a) Borrower shall have failed to pay when due any interest or installment of Principal required under this Agreement;

(b) Que el Prestatario no cumpliera con cualquiera de las cláusulas de este Convenio, incluyendo, pero sin limitarse, a la obligación de llevar a cabo el Programa con la diligencia y eficiencia debidas; o

(c) Que el Prestatario faltare al pago al vencimiento de cualquier interés o amortización de Capital o a cualquier otro pago requerido bajo cualquier otro convenio de préstamo, cualquier convenio de garantía, o cualquier otro convenio entre el Prestatario o alguna de sus dependencias y la A.I.D., o alguna de las agencias predecesoras de ésta; entonces la A.I.D. a su opción podrá notificar al Prestatario que todo o alguna parte del Capital insoluto se dará por vencido y deberá pagarse dentro de los sesenta (60) días posteriores a la notificación y a menos que el Caso de Incumplimiento sea subsanado dentro de los sesenta (60) días.

(i) el Capital insoluto y los intereses acumulados en virtud de este Convenio se darán por vencidos y se pagarán inmediatamente, y

(ii) la cantidad de cualquier desembolso posterior efectuado bajo las Cartas de Crédito irrevocables entonces vigentes o desembolsada en otra forma, se dará por vencida y deberá pagarse tan pronto como se haga tal desembolso.

(b) Borrower shall have failed to comply with any other provision of this Agreement, including, but without limitation, the obligation to carry out the Program with due diligence and efficiency; or

(c) Borrower shall have failed to pay when due any interest or any installment of Principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between Borrower or any of its agencies and A.I.D. or any of its predecessor agencies; then A.I.D. may, at its option, give to Borrower notice that all or any part of the unpaid Principal shall be due and payable sixty (60) days thereafter and, unless the Event of Default is cured within such sixty (60) days:

(i) such unpaid Principal and any accrued interest hereunder shall be due and payable immediately; and

(ii) the amount of any further disbursements made under the outstanding irrevocable Letters of Credit or otherwise shall become due and payable as soon as made.

SECCION 8.03. Suspensión de Desembolsos. En caso de que en cualquier época:

- (a) Ocurriera un Caso de Incumplimiento;
- (b) Ocurriera un caso que la A.I.D. determinara como situación extraordinaria, que hace improbable que los propósitos de este Préstamo fuesen logrados o que el Prestatario fuese capáz de cumplir con las obligaciones contraídas bajo este Convenio;
- (c) Cualquier desembolso por parte de la A.I.D. constituyera una violación de las leyes que rigen a la A.I.D., o
- (d) Que el Prestatario o cualquiera de sus dependencias falten al pago a su vencimiento de cualquier interés o amortización de Capital u otro pago requerido bajo cualquier otro convenio de préstamo, cualquier convenio de garantía, o cualquier otro convenio entre el Prestatario o cualquiera de sus dependencias y el Gobierno de los Estados Unidos de América o cualquiera de sus agencias; o
- (e) Que no se esté llevando a cabo un progreso satisfactorio de todo o parte del Programa, de conformidad con los términos de este Convenio; entonces la A.I.D. podrá a su opción:

(i) suspender, o cancelar los

SECTION 8.03. Suspension of Disbursement. In the event that at any time:

- (a) An Event of Default has occurred;
- (b) An event occurs that A.I.D. determined to be an extraordinary situation that makes it improbable either that the purpose of the Loan will be attained or that Borrower will be able to perform its obligation under this Agreement;
- (c) Any disbursement by A.I.D. would be in violation of the legislation governing A.I.D., or
- (d) Borrower or any of its agencies shall have failed to pay when due any interest or any instalment or Principal or any other payment required under any loan agreement, any guaranty agreement or any other agreement between Borrower or any of its agencies and the Government of the United States or any of its agencies; or
- (e) Satisfactory progress is not being made in carrying out all or part of the Program according to the terms of this Agreement; then A.I.D. may at its option:

(i) suspend or cancel out-

documentos de compromiso vigentes hasta el grado de que éstos no hayan sido utilizados mediante la emisión de Cartas de Crédito irrevocables o a través de pagos bancarios efectuados que no fueran bajo Cartas de Crédito irrevocables, en cuyo caso la A.I.D. notificará prontamente al Prestatario;

(ii) abstenerse de efectuar desembolsos más que aquellos pendientes bajo documentos de compromiso vigentes;

(iii) abstenerse de emitir documentos de compromiso adicionales;

(iv) a expensas de la A.I.D., ordenar que el título de la propiedad financiada con el Préstamo sea transferida a la A.I.D. si los artículos provienen de una fuente fuera de Honduras, estén en estado de entrega y no hayan sido aún desembarcados en puertos de entrada de Honduras. Cualquier desembolso efectuado o que se efectue bajo el Préstamo en relación con los bienes transferidos será deducido del Capital.

SECCION 8.04. Cancelación por Parte de la A.I.D. Posterior a cualquier suspensión de desembolso de conformidad con la Sección 8.03, si la causa o causas de tal suspensión de desembolsos no han sido eliminadas o corregidas dentro de sesenta (60) días de la fecha de tal suspensión, la A.I.D. podrá, a su opción, en cualquier ocasión u ocasiones posteriores, cancelar todo o

standing commitment documents to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit, in which event, A.I.D. shall give notice to Borrower promptly thereafter;

(ii) decline to make disbursements other than under outstanding commitment documents,

(iii) decline to issue additional commitment documents;

(iv) at A.I.D. expense, direct that title to goods financed under the Loan shall be transferred to A.I.D. if the goods are from a source outside Honduras, are in a deliverable state, and have not been offloaded in ports of entry of Honduras. Any disbursement made or to be made under the Loan with respect to such transferred goods shall be deducted from Principal.

SECTION 8.04. Cancellation by A.I.D. Following any suspension of disbursements pursuant to Section 8.03, if the cause or causes for such suspension of disbursement shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, A.I.D. may, at its option, at any time or times thereafter, cancel all or any part of the Loan

alguna parte del Préstamo que hasta entonces no haya sido desembolsado o esté sujeto a Cartas de Crédito irrevocables.

SECCION 8.05. La Vigencia Continua del Convenio. No obstante cualquier cancelación, suspensión de desembolsos o aceleración de amortización, las cláusulas de este Convenio continuarán en completa vigencia y efecto hasta el pago completo de todo el Capital y de los intereses acumulados en virtud de este Convenio.

SECCION 8.06. Reintegros

(a) En caso de que cualquier desembolso no esté apoyado por documentación válida o no se haya efectuado o utilizado de acuerdo con los términos de este Convenio, la A.I.D. podrá, no obstante la disponibilidad o ejercicio de cualquiera de los recursos que estipula este Convenio, requerir al Prestatario que reintegre tal cantidad a la A.I.D. en dólares estadounidenses dentro de los treinta (30) días posteriores al recibo de tal solicitud. Tal cantidad se hará disponible primero para los costos de bienes y servicios que se obtengan para el Programa de conformidad con este Convenio, hasta el punto en que se justifique, el remanente, si lo hubiere, se aplicará a las amortizaciones de Capital en el orden inverso de su vencimiento y la cantidad del Préstamo se reducirá por la cantidad de tal remanente. No obstante cualquier otra

that is not then either disbursed or subject to irrevocable Letters of Credit.

SECTION 8.05. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursement or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect until the payment in full of all Principal and any accrued interest hereunder.

SECTION 8.06. Refunds.

(a) In case of any disbursement not supported by valid documentation or not made or used in accordance with the terms of this Agreement, A.I.D., notwithstanding the availability or exercise of any of the other remedies provided for under this Agreement, may require Borrower to refund such amount in United States dollars to A.I.D. within thirty (30) days after receipt of a request therefore. Such amount shall be made available first for the cost of goods and services procured for the Program hereunder, to the extent justified; the remainder, if any, shall be applied to the installments of Principal in the inverse order of their maturity, and the amount of the Loan shall be reduced by the amount of such remainder. Notwithstanding any other provision in this Agreement, A.I.D.'s right to require a refund with respect to any disbursement

estipulación de este Convenio, el derecho de la A.I.D. de solicitar cualquier reintegro en relación con algún desembolso bajo el Préstamo, continuará vigente durante cinco años de la fecha de tal desembolso.

(b) En caso de que la A.I.D. reciba algún reintegro de algún contratista, proveedor o institución bancaria o de alguna otra tercera parte relacionada con el Préstamo, en cuanto a bienes o servicios financiados con el Préstamo, y tal reintegro se relacione con precios irrazonables de bienes o servicios, o con bienes que no conformen con las especificaciones, o con servicios inadecuados, la A.I.D. pondrá a disposición el reembolso primero para los costos de bienes y servicios que se obtengan para el Programa de conformidad con este Convenio, hasta el punto en que se justifique; el remanente se aplicará a las amortizaciones de Capital en el orden inverso de su vencimiento y la cantidad del Préstamo será reducida por la cantidad de tal remanente.

SECCION 8.07 Gastos de Cobros.
 Todos los costos razonables en que incurra la A.I.D., que no sean sueldos de sus empleados, en relación con los cobros de reintegros o en relación con cantidades adeudadas a la A.I.D. por consecuencia del acontecimiento de algunos de los casos especificados en la Sección 8.02, podrán ser cargados al

under the Loan shall continue for five years following the date of such disbursement.

(b) In the event that A.I.D. receives a refund from any contractor, supplier, or banking institution, or from any other third party connected with the Loan, with respect to goods or services financed under the Loan and such refund relates to an unreasonable price for goods or services, or to goods that did not conform to specifications, or to services that were inadequate, A.I.D. shall first make such refund available for the cost of goods and services procured for the Program hereunder, to the extent justified, the remainder to be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder

SECTION 8.07 Expenses of Collections. All reasonable costs incurred by A.I.D., other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due A.I.D. by reason of the occurrence of any of the events specified in Section 8.02 may be

Prestatario y reembolsados a la A.I.D. en la forma que ésta lo especifique.

charged to Borrower and reimbursed to A.I.D. in such manner as A.I.D. may specify

SECCION 8.08 Recursos no Renunciables. Ninguna demora en el ejercicio u omisión de ejecución de cualquier derecho, poder o recurso de la A.I.D. bajo este Convenio deberá ser interpretado como una renuncia a cualquiera de estos derechos, poderes o recursos.

SECTION 8.08. Nonwaiver of Remedies. No delay in exercising or omission to exercise any right, power, or remedy accruing to A.I.D. under this Agreement shall be construed as a waiver of any such rights powers or remedies.

ARTICULO IX Diversos

SECCION 9.01. Comunicaciones. Cualquier notificación, solicitud, documento u otra comunicación dada, formulada, o enviada por el Prestatario o la A.I.D. de conformidad con este Convenio, será por escrito o por telegrama, cable o radiograma, y se considerará como debidamente entregada, formulada o enviada a la parte a quien esté dirigida cuando sea entregada personalmente, por correo, telegrama, cable o radiograma en las siguientes direcciones:

AL PRESTATARIO:

Dirección Postal.

Ministerio de Hacienda y Crédito Público
Tegucigalpa, D.C., Honduras, C.A.

Dirección Cablegráfica:

Hacienda
Tegucigalpa, D.C., Honduras, C.A.

ARTICLE IX Miscellaneous

SECTION 9.01. Communications. Any notice, request, document or other communication given, made, or sent by Borrower or A.I.D. pursuant to this Agreement shall be in writing or by telegram, cable or radiogram 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 to such party by hand or by mail, telegram, cable or radiogram at the following addresses:

TO BORROWER:

Mail Address:

Ministerio de Hacienda y Crédito Público
Tegucigalpa, D.C., Honduras, C.A.

Cable Address:

Hacienda
Tegucigalpa, D.C., Honduras, C.A.

A LA A.I.D.

Dirección Postal.

Agencia para el Desarrollo
Internacional (A.I.D.)
R/do Embajada Americana
Tegucigalpa, D.C. Honduras, C.A.

Dirección Cablegráfica:

USAID/Honduras
R/do Embajada Americana
Tegucigalpa, D. C. Honduras, C.A.

Las direcciones anteriores podrán ser substituidas por otras mediante notificación. Todas las notificaciones, solicitudes, comunicaciones, documentos e informes sometidos a la A.I.D. bajo este Convenio serán en Español o Inglés según lo que se convenga por escrito entre el Prestatario y la A.I.D.

SECCION 9.02. Representantes. Para todos los propósitos relacionados con este Convenio, el Prestatario, estará representado por la persona que ocupe o esté encargada del despacho o despachos siguientes.

- a) Ministerio de Hacienda y Crédito Público.
- b) Ministerio de Educación Pública.
- c) Presidencia del Banco Nacional de Fomento; y

TO A.I.D.

Mail Address.

Agency for International Development (A.I.D.)
c/o American Embassy
Tegucigalpa, D.C. Honduras, C.A.

Cable Address

USAID/Honduras
c/o American Embassy
Tegucigalpa, D.C., Honduras,C.A.

Other addresses may be substituted for the above upon giving of notice. All notices, requests, communications, and documents submitted to A.I.D. hereunder shall be in Spanish or English as agreed in writing between Borrower and A.I.D.

SECTION 9.02. Representatives.
For all purposes relative to this Agreement, Borrower will be represented by the individuals holding or acting in the office or offices listed below.

- a) Ministry of Finance and Public Credit.
- b) Ministry of Public Education.
- c) Presidency of the Banco Nacional de Fomento; and

d) Gerencia General del INVA.

La A.I.D. estará representada por la persona que ocupe o esté encargada de la Oficina del Director de la Misión de la A.I.D. en Honduras.

Tales personas tendrán la autoridad de designar por escrito a representantes adicionales. En el caso de cualquier reemplazo u otra designación de un representante bajo este Convenio, el Prestatario suministrará una manifestación del nombre del representante y una muestra de su firma en forma y contenido satisfactorio a la A.I.D. Hasta que la A.I.D. reciba notificación escrita de la revocación de la autoridad de cualquiera de los representantes debidamente autorizados del Prestatario, designados de conformidad con esta Sección, la A.I.D. podrá aceptar la firma de tal representante o representantes en cualquier instrumento, como evidencia concluyente de que cualquier acción efectuada bajo tal instrumento está debidamente autorizada.

SECCION 9.03. Cartas de Ejecución.
La A.I.D. emitirá oportunamente Cartas de Ejecución que confirmarán las varias aprobaciones e indicarán los procedimientos a seguirse, aplicables bajo este Convenio en relación con el desarrollo del mismo.

SECCION 9.04. Pagarés. En la ocasión u ocasiones en que la A.I.D. lo solicite, el Prestatario emitirá pagarés u otras evidencias

d) General Management of INVA.

A.I.D. shall be represented by the individual holding or acting in the office of the Director, USAID Mission to Honduras.

Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and specimen signature in form and substance satisfactory to A.I.D. Until receipt by A.I.D. of written notice of revocation of the authority of any of the duly authorized representatives of Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

SECTION 9.03. Implementation Letters. A.I.D. shall from time to time issue Implementation Letters that will confirm various approvals and set forth the procedures applicable hereunder in connection with the implementation of this Agreement.

SECTION 9.04. Promissory Notes. At such time or times as A.I.D. may request, Borrower shall issue promissory notes or such other

de adeudo con respecto al Préstamo, en la forma, conteniendo tales términos y respaldados por las opiniones legales que la A.I.D. pueda razonablemente solicitar

SECCION 9.05. Terminación al Finalizar los Pagos. Al pagarse totalmente el Capital y cualquier interés acumulado, este Convenio y todas las obligaciones del Prestatario y la A.I.D. bajo este Convenio de Préstamo, terminarán.

SECCION 9.06. Idioma. Este Convenio se celebra en ambos idiomas Español e Inglés, sin embargo, para propósitos de resolución de diferencias en interpretación, la versión en Inglés prevalecerá.

SECCION 9.07 Vigencia. Este Convenio entrará en vigencia en la fecha y año indicados al principio del mismo.

evidences of indebtedness with respect to the Loan, in such form, containing such terms and supported by such legal opinions as A.I.D. may reasonably request.

SECTION 9.05. Termination Upon Full Payment. Upon payment in full of the Principal and of any accrued interest, this Agreement and all obligations of Borrower and A.I.D. under this Loan Agreement shall terminate.

SECTION 9.06. Language. This Agreement is signed in both Spanish and English in two versions; however; for purposes of resolutions of differences in interpretation, the English version shall prevail.

SECTION 9.07. Effective Date. This Agreement shall enter into effect on the date and year indicated at the beginning of this Agreement.

EN FE DE LO CUAL, el Prestatario y los Estados Unidos de América cada cual actuando a través de su representante debidamente autorizado, celebran el presente Convenio en la fecha y año indicados al principio del mismo.

IN WITNESS WHEREOF, Borrower 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.

LA REPUBLICA DE HONDURAS

Oswaldo López Arellano

General de Brigada Oswaldo López Arellano
Jefe de Estado

Manuel Acosta Bonilla

Lic. Manuel Acosta Bonilla
Ministro de Hacienda y Crédito
Público

LOS ESTADOS UNIDOS DE AMERICA

Phillip V Sanchez

Phillip V. Sanchez
Embajador

Frank B. Kimball

Frank B. Kimball
Director de la A.I.D. en Honduras

Prestamos Nos..
 522-T-026 Crédito Agrícola y Mercadeo de Granos.
 522-V-027 Reconstrucción de Escuelas Primarias.
 522-W-028 Reconstrucción de Viviendas Rurales

Loan Nos.:
 522-T-026 Farm Credit and Grain Marketing.
 522-V-027 Primary School Reconstruction.
 522-W-028 Rural Shelter Reconstruction.

ANEXO I

El Proyecto consiste en llevar a cabo tres Actividades:

1. **Crédito Agrícola y Mercadeo de Granos. (\$12.5 millones).** El Banco Nacional de Fomento (BNF) podrá utilizar hasta \$9.5 millones de fondos del Préstamo para proporcionar préstamos a pequeños y medianos agricultores que en gran parte están atrasados con sus préstamos con el BNF de 1974 debido a las pérdidas causadas por el Huracán. Los fondos del Préstamo de la A.I.D. serán utilizados para financiar la producción de maíz, frijoles, arroz y otros productos agropecuarios, excluyendo algodón, tabaco, caña de azúcar y banano. Préstamos de hasta pero que no excedan de \$10,000 dólares podrán otorgarse a cualquier agricultor individual. No podrán concederse préstamos a ningún agricultor que posea en total más de 50 hectáreas. Se espera que 9,500 agricultores recibirán préstamos bajo esta Actividad, sembrando un total de 66,000 hectáreas durante 1975 con fondos del Préstamo produciendo 338,000 toneladas métricas de granos básicos durante 1975.

A los agricultores que reciben préstamos bajo esta Actividad, se les permitirá el uso de sus créditos para comprar herramientas, semillas, y fertilizantes, animales de corral, y otros insumos para productos alimenticios, y se contratarán para que vendan una parte de sus cosechas al BNF, a un precio garantizado.

ANNEX I

The Project consists of carrying out three Activities:

1. **Farm Credit and Grain Marketing. (\$12.5 million).** The Banco Nacional de Fomento (BNF) may use up to \$9.5 million of Loan funds to provide loans to small and medium farmers, who in large part are in arrears on their 1974 BNF loans due to Hurricane losses. A.I.D. Loan funds will be used for financing the production of corn, beans, rice and other agricultural products excluding cotton, tobacco, sugar cane, and bananas. Loans of up to but no more than \$10,000 may be granted to any individual farmer. Loans may not be granted to any farmer who possesses lands exceeding 50 hectares in total. It is expected that 9,500 farmers will receive loans under this Activity, planting 66,000 hectares with Loan funds and producing 338,000 metric tons of basic grains during 1975.

The farmers who receive loans under this Activity will be permitted to use their credits to purchase hand tools, seed and fertilizer, barnyard animals, and other food production inputs, and will contract to sell a portion of their crop to the BNF at the support price.

El BNF podrá utilizar hasta \$3 millones de los fondos del Préstamo para la compra de maíz, frijoles, arroz, sorgo y ajonjoli bajo el programa de estabilización de granos del Banco. Se espera que la existencia más la compra total de granos durante 1975 alcance unos \$7.0 millones de dólares, incluyendo la compra que se haga con los fondos del Préstamo. Se espera que 50,000 toneladas métricas de granos serán compradas bajo el Programa de Estabilización de Granos durante 1975, incluyendo los granos comprados con fondos del Préstamo.

2. Reconstrucción de Escuelas Primarias. (\$1.5 millones) El Ministerio de Educación usará su parte del Préstamo para reparar o reconstruir tantas escuelas como sea posible de las 256 escuelas que fueron dañadas o destruidas por el Huracán. El Préstamo financiará la compra de materiales de construcción, la mano de obra de las comunidades en las que se construirán o se repararán las escuelas (parte de esta mano de obra podría ser donada), equipo y muebles escolares. El Departamento de Construcciones Escolares y Mantenimiento preparará los diseños donde fuere necesario. La construcción y supervisión de las escuelas rurales se llevarán a cabo por una organización aprobada por el Prestatario y la A.I.D. y la de las escuelas urbanas estará a cargo de la Dirección General de Construcciones Escolares del Ministerio de Educación. Estas instituciones actuarán como promotores para promover el interés comunitario, exitarán a las municipalidades a donar tierras cuando sea necesario y mano de obra para construcción; comprarán cierto equipo y materiales escolares, y contratarán y certificarán los pagos de construcción.

Los fondos del Préstamo pueden ser utilizados también para el adiestramiento de profesores, equipo y textos didácticos, y para costos administrativos bajo contrato.

The BNF may use up to \$3 million of Loan funds to purchase corn, beans, rice, sorghum and sesame under the Bank's grain stabilization program. It is expected that the total inventory and grain purchases during 1975 will reach \$7.0 million dollars, including the purchase made with the Loan funds. It is expected that 50,000 metric tons of grains will be purchased under the Grain Stabilization Program during 1975, including the grains purchased with Loan Funds.

2. Primary School Reconstruction. (\$1.5 million) The Ministry of Education will use its portion of the Loan to repair or reconstruct as many as possible of the 256 schools damaged or destroyed by the Hurricane. The Loan will finance the procurement of construction materials, the labor drawn from the communities in which the schools are to be constructed or repaired (some of this may be donated), and school furniture and equipment. The Department of School Construction and Maintenance will prepare designs where they are needed. Construction and supervision in the case of rural schools will be carried out by an organization approved by the Borrower and A.I.D. and in the case of urban schools by the Ministry's Department of School Construction. These institutions will promote community interest, will encourage the municipalities to donate land when needed and labor for construction; will procure certain school equipment and materials; and will contract and certify payments for construction.

Loan funds may also be used for teacher training and classroom equipment and textbooks, and for administrative expenses under contract.

3. Reconstrucción de Viviendas Rurales.
(\$1 millón) El INVA administrará este programa bajo el cual aproximadamente 2,400 casas serán construidas a través del INVA o por instituciones privadas no-lucrativas tales como FEHCOVIL, FACACH, etc. bajo la coordinación y supervisión del INVA de conformidad con planes y especificaciones previamente aprobados. Las casas costarán aproximadamente \$400, y serán financiadas con hipotecas del 100%. En general, los servicios de ocupación posterior al Proyecto deberán llevarse a cabo por el INVA. La selección de los adjudicatarios será responsabilidad del INVA conjuntamente con las dependencias participantes.

Todas estas actividades estarán实质上 completadas durante 1975.

3. Rural Shelter Reconstruction.
(\$1 million) INVA will administer this program under which approximately 2,400 houses will be constructed through INVA or non-profit private institutions such as FEHCOVIL, FACACH, etc. under INVA coordination and supervision in accordance with previously agreed upon plans and specifications. The houses will cost about \$400, and will be financed with 100% mortgages. In general, post-occupancy project services shall be carried out by INVA. Selection of homeowners shall be the joint responsibility of INVA and the participating agencies.

All of these Activities will be substantially completed during 1975.

COSTA RICA

Weather Stations: Cooperative Meteorological Program

*Agreement effected by exchange of notes
Signed at San Jose August 16 and December 4, 1974;
Entered into force December 4, 1974.*

The American Charge d'Affaires ad interim to the Costa Rican Acting Minister of Foreign Relations

Nº 147

SAN JOSÉ, August 16, 1974

EXCELLENCY:

I have the honor to inform Your Excellency that my Government has noted with appreciation the steps which have been taken by the Government of Costa Rica and the Governments of the other Central American Republics to improve the meteorological observing and telecommunications networks in their respective territories in furtherance of the objectives of the World Weather Watch Program of the World Meteorological Organization.

My Government has been privileged to participate, through the Voluntary Assistance program of the World Meteorological Organization, in some of these developments, including the improvement of the meteorological telecommunications system at Juan Santamaría Airport and the establishment of the San José rawinsonde station.

My Government believes, however, that in view of the significant number of new facilities now in operation in the Central American Republics and the recognized need for special and continuous attention to maintenance and servicing in their operation, it would be helpful, in the initial phases of such operation, if the various national operational staffs could draw upon the technical support of an experienced electronics maintenance specialist located in the region.

Accordingly, if this would be agreeable to Your Excellency's Government, my Government is prepared to post an experienced United States technical expert to San José, as a base, to provide, primarily, maintenance and servicing support, as necessary, for the meteorological and telecommunications equipment of the National Meteorological Services of Costa Rica and the other Central American Republics. It is furthermore the hope of my Government that Your Excellency's Government will find it possible to provide suitable

office space in the vicinity of the rawinsonde station for this United States technician.

In light of the foregoing, I have the honor to propose the establishment of a program of cooperation in this matter between the Government of the United States of America and the Government of Costa Rica on the following terms:

1. Purpose of the Program

The purpose of the cooperative program shall be primarily to facilitate, through cooperation between the designated Cooperating Agencies of the two Governments, the operation, maintenance and servicing of the improved meteorological observation and telecommunications systems which have been introduced by the National Meteorological Services of the Central American Republics in support of the development of the World Weather Watch Program of the World Meteorological Organization.

2. Cooperating Agencies

(a) The Cooperating Agencies shall be:

(i) for the Government of the United States of America, the National Oceanic and Atmospheric Administration, Department of Commerce, hereinafter referred to as the United States Cooperating Agency; and

(ii) for the Government of Costa Rica, the hereinafter referred to as the Costa Rican Cooperating Agency.

(b) The United States Cooperating Agency shall:

(i) assign, to the headquarters of the National Meteorological Service of Costa Rica in San Jose, a United States expert who is qualified to assist, whenever necessary, in the maintenance and servicing of the meteorological and telecommunications equipment of that Service and who shall be available also to visit the other Central American Republics and certain South American Republics, whenever deemed necessary by the United States Cooperating Agency, to provide similar assistance to their National Meteorological Services; and

(ii) bear all costs relating to the assignment, referred to in paragraph 2(b)(i) above, except as provided in paragraph 2(c) below.

(c) The Costa Rican Cooperating Agency shall provide, without charge, appropriate office space, including utilities, in the vicinity, if possible, of the San Jose rawinsonde station, for the United States expert assigned in accordance with paragraph 2(b)(i) above.

3. Title to Property

Title to all real property and any improvements thereto, furnished, acquired, or constructed for the purpose of conducting the cooperative program covered by this agreement shall be vested in the Costa Rican Cooperating Agency, except when the government of Costa Rica shall have determined that such title shall be vested, or remain vested, in another Costa Rican agency. Title to any item of

equipment or other item of personal property shall remain vested in the Cooperating Agency which supplied, or provided funds for the supply of, the item, unless otherwise agreed, in a specific case, between the United States Cooperating Agency and the Costa Rican Cooperating Agency.

4. Expenditures

All expenditures incident to the obligations assumed by the United States Cooperating Agency shall be paid by the Government of the United States of America, and all expenditures incident to the obligations assumed by the Costa Rican Cooperating Agency shall be paid by the Government of Costa Rica.

5. Importation of Materials, Equipment, Supplies and Goods

The Government of Costa Rica shall take all necessary steps to facilitate the importation into Costa Rica of all materials, equipment, supplies and goods, including motor vehicles, furnished by the United States Cooperating Agency for use in the cooperative program.

6. Exemption from Duties and Taxes and from Requirements for Licenses and Permits

(a) All materials, equipment, supplies and goods, furnished by the United States Cooperating Agency and imported into Costa Rica for use in the cooperative program covered by this agreement, (including motor vehicles and any materials, equipment, supplies and goods accompanying or subsequently imported by any expert entering Costa Rica for or in the performance of his duties in connection with the cooperative program), shall be admitted free of customs and import duties, taxes and other similar charges and without any requirement for an import license or similar documentation or authorization.

(b) No license fees, taxes or other similar charges shall be levied in respect of the use in Costa Rica, in connection with the cooperative program, of any items imported under the provisions of paragraph 6(a) above.

(c) No person ordinarily resident in the United States of America shall pay in Costa Rica any tax in the nature of a license in respect of any service or work for the Government of the United States of America in connection with the cooperative program or under any contract made with the Government of the United States of America in connection with the cooperative program.

(d) Any official or employee of the United States Cooperating Agency, who is temporarily in Costa Rica, in connection with the cooperative program, and who is not a national of Costa Rica, shall be exempt from payment of any tax or other charges which might otherwise be imposed solely by virtue of his temporary residence in Costa Rica and from any requirement to possess or apply for a work permit.

(e) Officials and employees of the United States Department of Commerce participating in the cooperative program will enjoy the privileges and immunities accorded to the diplomatic personnel of the Embassy of the United States of America in Costa Rica in respect of immunity from the criminal jurisdiction of the republic of Costa Rica. Such officials and employees will enjoy immunity from civil and administrative jurisdiction of the Republic of Costa Rica in respect of acts performed in the exercise of their functions under this Agreement.

(f) Any official or employee as defined in paragraph 6(e), and the wife and minor children of any such official or employee, shall be exempt from the payment of all taxes which may be otherwise imposed solely by virtue of his residence in Costa Rica, including (1) income tax (except in respect of income derived from sources in Costa Rica); (2) social security taxes; (3) any poll tax or similar tax on the person; and (4) any tax on the ownership or use of property situated outside Costa Rica.

(g) The Republic of Costa Rica will permit the duty-free entry and the disposal of personal effects, household goods, and vehicles of United States personnel participating in the cooperative program and of their immediate household in accordance with the same practices and regulations as are applied by the Government of Costa Rica to diplomatic personnel of the United States Embassy in Costa Rica.

7. Liability

Each Cooperating Agency shall be responsible for claims for damage to property or injury to persons with respect only to activities under the cooperative program directly engaged in or performed by that Cooperating Agency or its employees. No liability shall attach to any Cooperating Agency based solely on title to the equipment, facilities or other property used in the cooperative program.

8. Appropriation of Funds

To the extent that the carrying out of any provisions of this agreement will depend on funds appropriated by the Congress of the United States, it shall be subject to the availability of such funds.

9. Term

This agreement shall remain in force for five years unless terminated by mutual agreement or until sixty days after either Government has given notice in writing to the other Government of its intention to terminate the agreement and may be extended for additional five year periods by mutual agreement.

If the foregoing is acceptable to the Government of Costa Rica, I have the honor to propose that this note and Your Excellency's reply to that effect shall together constitute an agreement between our two Governments concerning this matter and shall enter into force on the date of Your Excellency's reply.

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

LYLE F LANE

Charge d'Affaires, a.i.

Enclosure:

1. Translation [4]

His Excellency

LICENCIADO FERNANDO VOLIO JIMÉNEZ

*Acting Minister of Foreign Relations,
San José.*

*The Costa Rican Minister of Foreign Relations to the American Charge
d'Affaires ad interim*

REPUBLICA DE COSTA RICA
MINISTERIO DE RELACIONES EXTERIORES Y CULTO

Deoto. de Norteamérica y O.E.A.
No. 73.992—PE

SAN JOSÉ, 4 de Diciembre de 1974

HONORABLE SEÑOR:

Tengo el honor de contestar su nota de 16 de agosto de 1974, que textualmente dice:

EXCELENCIA:

Tengo el honor de informar a Vuestra Excelencia que mi Gobierno ha tomado nota con beneplácito de las medidas adoptadas por el Gobierno de Costa Rica y por los Gobiernos de las demás Repúblicas Centroamericanas para mejorar las redes de observación y telecomunicaciones meteorológicas en sus respectivos territorios con el propósito de promover los objetivos del Programa de Vigilancia Meteorológica Mundial, de la Organización Meteorológica Mundial.

Mi Gobierno ha sido distinguido con el privilegio de participar, por conducto del Programa de Asistencia Voluntaria, en algunas de estas actividades, inclusive el mejoramiento del sistema de telecomunicaciones meteorológicas en el Aeropuerto de Juan Santamaría y el establecimiento de la estación de radiovientosonda en San José.

Sin embargo, mi Gobierno es de la opinión que, en vista del número considerable de nuevas instalaciones—actualmente en funcionamiento en las Repúblicas Centroamericanas y dada la reconocida necesidad de una atención especial y continua a su mantenimiento y reparación durante su funcionamiento, sería beneficioso, en las fases iniciales de tal funcionamiento, si el personal de servicio de las diversas naciones pudiera recurrir al apoyo técnico

¹ For the Spanish language text, see pp. 3365-3370.

de un experimentado especialista de mantenimiento de equipos electrónicos, situado en la región.

En consecuencia, si ello contara con la conformidad del Gobierno de Vuestra Excelencia, mi Gobierno está dispuesto a enviar a un experimentado experto técnico de los Estados Unidos a San José, ciudad que sería su base de operaciones, para proporcionar, esencialmente, servicios de apoyo para el mantenimiento y la reparación en la medida necesaria del equipo meteorológico y de telecomunicaciones del Servicio Meteorológico Nacional de Costa Rica y de las demás Repúblicas Centroamericanas. Además, mi Gobierno abriga la esperanza de que el Gobierno de Vuestra Excelencia considere la posibilidad de proporcionar adecuado espacio de oficina para este técnico de los Estados Unidos, en proximidad de la estación de radiovientosonda.

A la luz de lo expresado, tengo el honor de proponer el establecimiento de un programa de cooperación a este respecto entre el Gobierno de Costa Rica y el Gobierno de los Estados Unidos de América, sujeto a los siguientes términos:

1. Propósito del Programa

El propósito del programa cooperativo será primordialmente el de facilitar, por medio de la cooperación entre los designados Organismos Cooperantes de los dos Gobiernos, el funcionamiento y las reparaciones de los mejorados sistemas de observación y telecomunicaciones meteorológicas, establecidos por los Servicios Meteorológicos Nacionales de las Repúblicas Centroamericanas en apoyo de la ejecución del Programa de Vigilancia Meteorológica Mundial, de la Organización Meteorológica Mundial.

2. Organismos Cooperantes

(a) Los Organismos Cooperantes serán:

- (i) por el Gobierno de los Estados Unidos de América, la Administración Oceánica y Atmosférica Nacional, dependiente del Departamento de Comercio, en adelante denominado Organismo Cooperante de los Estados Unidos; y
- (ii) por el Gobierno de Costa Rica, el Servicio Meteorológico Nacional, en adelante denominado el Organismo Cooperante de Costa Rica.

(b) El Organismo Cooperante de los Estados Unidos:

- (i) asignará, a la sede central del Servicio Meteorológico Nacional de Costa Rica en San José, un experto de los Estados Unidos calificado para asistir, cuando fuere necesario, en el mantenimiento y la reparación del equipo meteorológico y de telecomunicaciones de dicho Servicio, y quien estará disponible para dirigirse a las demás Repúblicas Centroamericanas y a ciertas Repúblicas Sudamericanas, cuando lo considere necesario el Organismo Cooperante de los Estados Unidos,

- para proporcionar asistencia similar a sus respectos Servicios Meteorológicos Nacionales; y
- (ii) sufragará todos los costos relacionados con la gestión a la que se alude en el párrafo 2(b)(i) anterior, excepto según lo dispuesto en el párrafo (c), a continuación.
- (c) El Organismo Cooperante de Costa Rica proporcionará, en forma libre de cargos, apropiado espacio de oficina, inclusive los servicios públicos, de ser posible en proximidad de la estación de radiovientosonda de San José, para el experto de los Estados Unidos asignado de conformidad con el párrafo 2(b)(i) que se antecede.

3. Título de Propiedad

El título de todos los inmuebles y cualesquiera mejoras de los mismos, suministrados, adquiridos con el propósito de llevar a cabo el programa cooperativo abarcado por este acuerdo, será transferido al Organismo Cooperante de Costa Rica, excepto cuando el Gobierno de Costa Rica hubiere determinado que tal título debe ser transferido a otro organismo costarricense o que debe permanecer bajo el dominio de tal organismo. El título de propiedad de cualquier pieza de equipo o de otro elemento de propiedad personal permanecerá en posesión del Organismo Cooperante que suministró, o proporcionó fondos para suministrar, el elemento, a menos que en un caso específico lo convengan de otro modo el Organismo Cooperante de los Estados Unidos y el Organismo Cooperante de Costa Rica.

4. Gastos

Todos los gastos inherentes a las obligaciones asumidas por el Organismo Cooperante de los Estados Unidos serán sufragados por el Gobierno de los Estados Unidos de América y todos los gastos inherentes a las obligaciones asumidas por el Organismo Cooperante de Costa Rica, serán sufragados por el Gobierno de Costa Rica.

5. Importación de Materiales, Equipos, Suministros y Bienes

El Gobierno de Costa Rica tomará todas las medidas que fueren necesarias para facilitar la importación a Costa Rica de todos los materiales, equipos, suministros y bienes, inclusive vehículos automotores, proporcionados por el Organismo Cooperante de los Estados Unidos para su uso en el programa cooperativo.

6. Exención de Derechos e Impuestos y de los Requisitos en cuanto a Licencias y Permisos

(a) Todos los materiales, equipos, suministros y bienes suministrados por el Organismo Cooperante de los Estados Unidos e importados a Costa Rica para su uso en el programa cooperativo abarcado por este acuerdo (inclusive vehículos automotores y cualesquiera materiales, equipos, suministros y bienes que lleve, o subsiguiente importe, cualquier experto

que ingresa Costa Rica para o en cumplimiento de sus funciones en relación con el programa cooperativo), serán admitidos libres de derechos de aduana y de importación, impuestos y otros gravámenes similares y sin tener que ajustarse a cualesquiera requisitos de licencias de importación o de documentación o autorización similares.

- (b) No se gravarán derechos de licencia, impuestos u otros derechos similares respecto del uso en Costa Rica, en relación con el programa cooperativo, de cualesquiera elementos importados al amparo de las disposiciones del párrafo 6(a) que antecede.
- (c) Ninguna persona que de ordinario resida en los Estados Unidos de América pagará en Costa Rica cualesquiera impuestos en forma de licencia respecto de cualquier servicio o trabajo para el Gobierno de los Estados Unidos de América en relación con el programa cooperativo o bajo cualquier contrato con el Gobierno de los Estados Unidos de América en relación con el programa cooperativo.
- (d) Cualquier funcionario o empleado del Organismo Cooperante de los Estados Unidos, quien se encontrare transitoriamente en Costa Rica en relación con el programa cooperativo, y que no fuere un ciudadano de Costa Rica, estará exento del pago de cualesquiera impuesto u otros derechos que de otro modo pudiera gravársele por el solo hecho de residir temporalmente en Costa Rica, y estará exento, de cualquier requisito de poseer o solicitar un permiso de trabajo.
- (e) Los funcionarios y empleados del Departamento de Comercio de los Estados Unidos que participen en el programa cooperativo disfrutarán los privilegios y las inmunidades que se acuerden al personal diplomático de la Embajada de los Estados Unidos de América en Costa Rica, respecto de la inmunidad de la jurisdicción penal de la República de Costa Rica. Tales funcionarios y empleados gozarán de inmunidad de la jurisdicción civil y administrativa de la República de Costa Rica respecto de actos llevados a cabo en el ejercicio de sus funciones de conformidad con este Acuerdo.
- (f) Cualquier funcionario o empleado, según se define en el párrafo 6(e), y la esposa y los hijos menores de cualesquiera tales funcionarios o empleados, estarán exentos del pago de todos los impuestos que de otro modo pudieran gravárseles por el solo hecho de residir en Costa Rica, inclusive (1) impuesto sobre la renta (excepto respecto de ingresos devengados de fuentes en Costa Rica); (2) impuestos de seguros social; (3) capitación o impuesto similar a la persona; y (4) cualquier impuesto sobre una propiedad o el uso de una propiedad situada fuera de Costa Rica.

(g) La República de Costa Rica permitirá la entrada libre de derechos y la enejenación de efectos personales, artículos de uso doméstico y vehículos de personal de los Estados Unidos que participa en el programa cooperativo, así como de su familia inmediata, de acuerdo con las mismas prácticas y reglamentos aplicados por el Gobierno de Costa Rica al personal diplomático de la Embajada de los Estados Unidos en Costa Rica.

7. Responsabilidad

Cada Organismo Cooperante asumirá la responsabilidad por reclamos por daños a la propiedad o lesiones a personas únicamente respecto de las actividades bajo el programa cooperativo que directamente esté llevando a cabo o haya realizado el Organismo Cooperante o su personal en cuestión. No se atribuirá responsabilidad a cualquiera de los Organismos Cooperantes por el solo hecho de tener título de propiedad sobre el equipo, las instalaciones u otra propiedad que se utilicen en el programa cooperativo.

8. Asignación de Fondos

En la medida en que la ejecución de cualquiera de las disposiciones de este acuerdo dependa de la asignación de fondos por parte del Congreso de los Estados Unidos, tal ejecución estará supeditada a la disponibilidad de tales fondos.

9. Vigencia

Este acuerdo permanecerá en vigor durante cinco años a menos que se dé por terminado por mutuo acuerdo o hasta sesenta días después de que cualquiera de los dos Gobiernos hubiere notificado por escrito al otro Gobierno de su intención de denunciarlo y por mutuo acuerdo podrá prorrogarse por períodos adicionales de cinco años.

Si lo que antecede es aceptable para el Gobierno de Costa Rica, tengo el honor de proponer que esta nota y la respuesta de Vuestra Excelencia en tal sentido constituyan, conjuntamente, un acuerdo entre nuestros dos Gobiernos respecto de este asunto y que dicho acuerdo entre en vigor en la fecha de la respuesta de Vuestra Excelencia.

Aprovecho esta oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

Me es grato comunicar la conformidad del Gobierno de Costa Rica con las propuestas anteriores arriba transcritas.

En consecuencia, la presente Nota y la de Vuestra Señoría constituyen un Acuerdo entre nuestros dos Gobiernos que entrará en vigor en esta fecha.

Aprovecho la oportunidad para reiterarle las seguridades de mi alta y distinguida consideración.

GONZALO J. FACIO

Gonzalo J. Facio
Ministro de Relaciones Exteriores

Honorable señor

LYLE LANE

*Encargado de Negocios de la
Embajada de los Estados Unidos
de America.
Ciudad*

Translation

REPUBLIC OF COSTA RICA
MINISTRY OF FOREIGN RELATIONS AND WORSHIP
OFFICE FOR NORTH AMERICA AND THE OAS

No. 73.992-PE

SAN JOSÉ, December 4, 1974

DEAR SIR:

I have the honor to reply to your note of August 16, 1974, the text of which is as follows:

[For the English language text, see pp. 3261-3365.]

I am pleased to inform you that the proposals transcribed above are acceptable to the Government of Costa Rica.

Consequently, this note and your note shall constitute an agreement between our two Governments which shall enter into force on this date.

I avail myself of the opportunity to renew to you the assurances of my high and distinguished consideration.

GONZALO J. FACIO

Gonzalo J. Facio
Minister of Foreign Relations

MR. LYLE LANE,

Charge d'Affaires, a.i.,

*Embassy of the
United States of America,
San José.*

MULTILATERAL
North Pacific Fur Seals

Protocol amending and extending the interim convention of February 9, 1957, as amended and extended.

Signed at Washington May 7, 1976;

Ratification advised by the Senate of the United States of America September 15, 1976;

Ratified by the President of the United States of America September 29, 1976;

Ratification of the United States of America deposited October 4, 1976;

Proclaimed by the President of the United States of America October 25, 1976;

Entered into force October 12, 1976.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

CONSIDERING THAT:

The Protocol amending the Interim Convention on Conservation of North Pacific Fur Seals, signed at Washington on February 9, 1957, which Protocol was signed at Washington on May 7, 1976, on behalf of the Governments of Canada, Japan, the Union of Soviet Socialist Republics, and the United States of America, a certified copy of which Protocol, in the English, Japanese, and Russian languages, is hereto annexed;

The Senate of the United States of America by its resolution of September 15, 1976, two-thirds of the Senators present concurring therein, gave its advice and consent to the ratification of the Protocol;

The President of the United States of America ratified the Protocol on September 29, 1976, in pursuance of the advice and consent of the Senate;

The United States of America deposited its instrument of ratification on October 4, 1976, in accordance with the provisions of Article XV of the Protocol;

The Protocol entered into force on October 12, 1976;

Now, THEREFORE, I, Gerald R. Ford, President of the United States of America, proclaim and make public the Protocol, to the end

that it shall be observed and fulfilled with good faith on and after October 12, 1976, by the United States of America and by the citizens of the United States of America and all other persons subject to the jurisdiction thereof.

IN TESTIMONY WHEREOF, I have signed this proclamation and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this twenty-fifth day of October in the year of our Lord one thousand nine hundred [SEAL] seventy-six and of the Independence of the United States of America the two hundred first.

GERALD R. FORD

By the President:

HENRY A. KISSINGER
Secretary of State

1976 PROTOCOL AMENDING
THE INTERIM CONVENTION ON CONSERVATION
OF NORTH PACIFIC FUR SEALS

The Governments of Canada, Japan, the Union of Soviet Socialist Republics and the United States of America, Parties to the Interim Convention on Conservation of North Pacific Fur Seals, signed at Washington on February 9, 1957, as amended,^[1] hereinafter referred to as the Convention,

Having given due consideration to the recommendations adopted by the North Pacific Fur Seal Commission on March 28, 1974, and to the exchange of views expressed at the North Pacific Fur Seal Conference in March and December 1975, and

Desiring to amend the Convention,

Have agreed as follows:

¹TIAS 3948, 5558, 6774; 8 UST 2283; 15 UST 316; 20 UST 2992.

ARTICLE I

The Convention shall be amended by this Protocol as from the date of its entry into force.

ARTICLE II

Article II, paragraph 2(f) of the Convention shall be replaced by the following:

"(f) relationship between fur seals and other living marine resources, including the extent to which fur seals affect commercial fish catches, the damage fur seals inflict on fishing gear, and the effect of commercial fisheries on the fur seals;".

ARTICLE III

1. In Article II, paragraph 2 of the Convention, "and" at the end of subparagraph (h) shall be deleted and "(i)" shall be replaced by "(j)".

2. After Article II, paragraph 2(h) of the Convention, the following shall be inserted:

"(i) effects of man-caused environmental changes on the fur seal populations; and".

ARTICLE IV

Article II, paragraph 3(b) of the Convention shall be replaced by the following:

"(b) to devote to pelagic research an effort which, to the greatest extent possible, should be similar in extent to that expended in recent years, provided that this shall not involve the annual taking by all the Parties combined of more than 2,500 seals in the Eastern and more than 2,200 seals in the Western Pacific Oceans, unless the Commission, pursuant to Article V, paragraph 3, shall decide otherwise; and".

ARTICLE V

Article IV of the Convention shall be replaced by the following:

"Article IV

Each Party shall bear the expense of its own research. Title to sealskins taken during the research shall vest in the Party conducting such research."

ARTICLE VI

Article V, paragraph 2(d) of the Convention shall be replaced by the following:

"(d) recommend appropriate measures to the Parties on the basis of the findings obtained from the implementation

of such coordinated research programs, including measures regarding the size and the sex and age composition of the seasonal commercial kill from a herd and regarding a reduction or suspension of the harvest of seals on any island or group of islands in case the total number of seals on that island or group of islands falls below the level of maximum sustainable productivity; provided, however, that due consideration be given to the subsistence needs of Indians, Ainos, Aleuts, or Eskimos who live on the islands where fur seals breed, when it is not possible to provide sufficient seal meat for such persons from the seasonal commercial harvest or research activities; and".

ARTICLE VII

Article V, paragraph 2(e) of the Convention shall be replaced by the following:

"(e) study whether or not pelagic sealing in conjunction with land sealing could be permitted in certain circumstances without adversely affecting achievement of the objectives of the Convention, and make recommendations thereon to the Parties at the end of the twenty-first year after entry into force of the Convention."

ARTICLE VIII

Article V, paragraph 3 of the Convention shall be replaced by the following:

"3. In addition to the duties specified in paragraph 2 of this Article, the Commission shall, subject to Article II, paragraph 3, determine from time to time the number of seals to be marked on the rookery islands, and the total number of seals which shall be taken at sea for research purposes, the times at which such seals shall be taken and the areas in which they shall be taken, as well as the number to be taken by each Party, taking into account any recommendations made pursuant to Article V, paragraph 2(d)."

ARTICLE IX

Article V, paragraph 6 of the Convention shall be replaced by the following:

"6. The Commission shall hold an annual meeting at such time and place as it may decide. Additional meetings shall be held when requested by two or more members of the Commission."

ARTICLE X

Article IX, paragraph 3 of the Convention shall be replaced by the following:

"3. The respective Parties will seek to ensure the utilization of those methods for the capture and killing and marking of fur seals on land or at sea which will spare the fur seals pain and suffering to the greatest extent practicable."

ARTICLE XI

Article XI of the Convention shall be replaced by the following:

"Article XI

The Parties agree to meet in the twenty-second year after entry into force of the Convention to consider the recommendations in accordance with Article V, paragraph 2(e) and to determine what further agreements may be desirable in order to achieve the maximum sustainable productivity of the North Pacific fur seal herds."

ARTICLE XII

Article XIII, paragraph 3 of the Convention shall be replaced by the following:

"3. The Convention shall enter into force on the date of the deposit of the fourth instrument of ratification."

ARTICLE XIII

Article XIII, paragraph 4, of the Convention shall be replaced by the following:

"4. The Convention shall continue in force for twenty-two years and thereafter until the entry into force of a new or revised fur seal convention between the Parties, or until the expiration of one year after such period of twenty-two years, whichever may be the earlier; provided, however, that the Convention shall terminate one year from the day on which a Party gives written notice to the other Parties of an intention of terminating the Convention."

ARTICLE XIV

1. In Article XIII of the Convention, paragraph "5" shall be redesignated as "6".

2. After Article XIII, paragraph 4, of the Convention, the following shall be inserted:

"5.. At the request of any Party, representatives of the Parties will meet at a mutually convenient time within ninety days of such request to consider the desirability of modifications of the Convention."

ARTICLE XV

1. This Protocol shall be subject to ratification or acceptance. Instruments of ratification or acceptance shall be deposited with the Government of the United States of America as soon as practicable.

2. The Government of the United States of America shall notify the other signatory Governments of ratifications or acceptances deposited.

3. This Protocol shall enter into force on the date on which the fourth instrument of ratification or acceptance is deposited with the Government of the United States of America. [¹]

4. The original of this Protocol shall be deposited with the Government of the United States of America, which shall communicate certified copies thereof to each of the Governments signatory to this Protocol.

¹ Oct. 12, 1976.

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

DONE at Washington this seventh day of May, 1976, in the English, Japanese, and Russian languages, each text equally authentic.

以上の証拠として、下名は、各自の政府から正当に委任を受けて、この議定書に署名した。

千九百七十六年五月七日にワシントンで、ひとしく正文である英語、日本語及びロシア語により本書を作成した。

- 4 3 2
府に寄託する。
アメリカ合衆国政府は、寄託された批准書又は受諾書につ
き他の署名政府に通告を行う。
この議定書は、四番目の批准書又は受諾書がアメリカ合衆
国政府に寄託された日に効力を生ずる。
この議定書の原本は、アメリカ合衆国政府に寄託するもの
とし、同政府は、この議定書の各署名政府にその認証謄本を
送付する。

1

批准書又は受諾書は、できる限り速やかにアメリカ合衆国政
この議定書は、批准され又は受諾されなければならぬ。

第十五条规定

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条約第十三条中「⁵」を「⁶」に改める。
いすれかの当事国が要請したときは、すべての当事国の
代表は、その要請があつた後九十日の期間内の相互に都合
の良い時に、この条約の改正が望ましいかどうかについて
検討するため会合するものとする。

第十四条规定

3 この条約は、四番目の批准書の寄託の日に効力を生ずる。

第十三条

4 条約第十三条を次のように改める。

この条約は、二十二年間有効とし、その後は、新たに又は改正されたおつとせい条約が当事国間で効力を生ずる時又は前記の二十二年の期間後一年が経過する時のいずれか早い時まで引き続き効力を有するものとする。ただし、この条約は、いずれかの当事国が他の当事国に対しこの条約を終了させる意思を書面で通告した日から一年で終了するものとする。

第十一條

条約第十一条を次のように改める。

第十二条

当事国は、第五条2(c)の規定に基づく勧告を審議し、及び
北太平洋のおつとせい獣群の最大の持続的生産性を達成する
ために望ましい協定について決定するため、この条約の効力
発生後の第二十二年度に会合することに同意する。

第十二条

条約第十三条3を次のように改める。

条約第五条⁶を次のように改める。

6 委員会は、自ら決定する時及び場所において年次会合を行う。追加的の会合は、委員会の二以上の委員が要請したときに行う。

第十条

条約第九条³を次のように改める。

3 各当事国は、陸上及び海上でおつとせいを捕獲し若しくは獵殺し又はおつとせいに標識を付するに当たり、おつとせいに実行可能な最大限度において苦痛を与えない方法を使用することを確保するよう努める。

第八条

条約第五条3を次のように改める。

3 委員会は、2に定める任務に加えて、第一条3の規定に従い、第五条2(4)の規定に基づく勧告に基く考慮を払いつつ、繁殖島で標識を付すべきおつとせいの頭数並びに調査目的のために海上で捕獲すべきおつとせいの総頭数、これらのおつとせいを捕獲すべき時期及び場所並びに各当事国が捕獲すべき頭数を隨時決定する。

第九条

ごとの商業的獵殺又は調査活動によりおつとせいの獣肉を十分に供給することができないこととなる場合には、これらの者の生計上の必要に妥当な考慮を払うことを条件とする。

第七条

条約第五条2(e)を次のように改める。

(e) 陸上獵獲との関連において海上獵獲を行うことが、一定の状況の下において、この条約の目標に到達することに悪影響を与えることなく許容されるかどうかを研究し、及びそれについてこの条約の効力発生後の第二十一年度の終期に当事国に勧告すること。

第六条

条約第五条2(d)を次のように改める。

(d)

前記の調整された調査計画の実施の結果得られた結論を基礎として、当事国に対して適当な措置（獣群についての獵期ごとの商業的獵殺の数に関する措置、その性別及び年齢別組成に関する措置並びにいづれかの島又は群島のおつとせいの総頭数が最大の持続的生産性の水準を下回る場合における当該島又は群島のおつとせいの獵殺数の削減又は獵殺の停止に関する措置を含む。）を勧告すること。ただし、おつとせいが繁殖する島で生活するインディアン、アイヌ、アリュート又はエスキモーに獵期

条3の規定に従つて委員会が別段の決定を行う場合を除くほか、当事国全体として、各年について、東太平洋では二千五百頭を超える頭数、西太平洋では二千二百頭を超える頭数のおつとせいを捕獲しないことを条件とする。

第五条

条約第四条を次のように改める。

第四条

各当事国は、自國の調査の費用を負担する。調査中に捕獲するおつとせいの獸皮に対する権原は、その調査を行う当事国に帰属する。

2 1

第三条

条約第二条2中「(i)」を「(j)」に改める。

条約第二条2(b)の次に次のように加える。
 (i) 環境の人為的な変化がおつとせいの総頭数に及ぼす影響

第四条

条約第二条3(b)を次のように改める。

(b) 海上調査のために最近数年間行つた努力と可能な最大限度において同じ程度の努力を行うこと。ただし、第五

条約は、この議定書により、この議定書の効力発生の日に改正される。

第一条

第二条

条約第二条2(b)を次のように改める。

(f) おつとせいと他の水産生物資源との間の関係（おつとせいが魚類の商業的漁獲に及ぼす影響の程度を含む。）、おつとせいが漁具に与える損害及び魚類の商業的漁獲がおつとせいに及ぼす影響

北太平洋のおつとせいの保存に関する暫定条約を改正する千九百七十六年の議定書

千九百五十七年二月九日にワシントンで署名され、その後改正された北太平洋のおつとせいの保存に関する暫定条約（以下「条約」という。）の当事国であるアメリカ合衆国、カナダ、ソヴィエト社会主義共和国連邦及び日本国の政府は、

採択した勧告並びに千九百七十五年三月及び同年十二月の北太平洋おつとせい会議において表明された意見に妥当な考慮を払い、

条約を改正することを希望して、
次のとおり協定した。

П Р О Т О К О Л

тысяча девятьсот семьдесят шестого года
о внесении поправок во Временную Конвенцию
о сохранении котиков северной части
Тихого океана

Правительства Союза Советских Социалистических Республик, Канады, Японии и Соединенных Штатов Америки, являющиеся Сторонами Временной Конвенции о сохранении котиков северной части Тихого океана, подписавшей в Вашингтоне 9 февраля 1957 года, с поправками, в дальнейшем именуемой как Конвенция,

Принимая должным образом во внимание рекомендации, принятые Комиссией по котикам северной части Тихого океана 28 марта 1974 года, и обмен мнениями, имевший место на Конференции по котикам северной части Тихого океана в марте и декабре 1975 года, и

Желая внести поправки в Конвенцию,
Согласились о следующем:

Статья I

В Конвенцию вносятся поправки настоящим Протоколом с даты вступления его в силу.

Статья II

Пункт 2 (f) Статьи II Конвенции заменяется следующим:

"(*f*) соотношение между котиками и другими живыми морскими ресурсами, включая степень влияния морских котиков на промысловые уловы рыбы, ущерб, который морские котики наносят рыболовным снастям, и влияние промышленного рыболовства на морских котиков;"

Статья II

1. В пункте 2 Статьи II Конвенции "*и*" в конце подпункта (*h*) исключается, а "(*i*)" заменяется на "(*j*)".

2. После пункта 2 (*h*) Статьи II Конвенции, включается следующее:

"(*i*) влияние вызванных человеком изменений в окружающей среде на популяции морских котиков; *и*".

Статья IV

Пункт 3 (*b*) Статьи II Конвенции заменяется следующим:

"(*b*) прилагать для пелагических исследований усилия, которые в максимально возможной степени должны быть по своему масштабу аналогичны усилиям, предпринимавшимся в последние годы, при условии, что это не потребует ежегодной добычи всеми Сторонами вместе взятыми более 2500 котиков в восточной части и более 2200 котиков в западной части Тихого океана, если Комиссия, согласно пункту 3 Статья У, не решит иначе; *и*".

Статья У

Статья IV Конвенции заменяется следующим:

"Статья IV"

Каждая Сторона несет расходы по производимым ею исследованиям. Право собственности на шкурки котиков, добывших во время проведения исследований, принадлежит Стороне, проводящей такие исследования."

Статья VI

Пункт 2 (d) Статьи У Конвенции заменяется следующим:

"(d) рекомендовать соответствующие мероприятия Сторонам на основе данных, полученных при осуществлении таких координированных программ исследований, включая мероприятия, касающиеся размера и возрастно-полового состава сезонного промыслового убоя из стада, и касающиеся сокращения или приостановления добычи котиков на любом острове или группе островов, в том случае, когда общая численность котиков на данном острове или группе островов падает ниже уровня максимально устойчивой продуктивности; при условии, однако, что должным образом принимаются во внимание нужды пропитания индейцев, айнов, алеутов или эскимосов, проживающих на островах, где размножаются котики, когда невозможно достаточно обеспечить этих лиц тщательным мясом за счет сезонной промысловой добычи или исследовательской деятельности; и".

Статья УП

Пункт 2 (е) Статьи У Конвенции заменяется следующим:

"(е) изучать, может ли быть разрешена при определенных обстоятельствах добыча котиков в море в сочетании с добычей на суше без ущерба для достижения целей Конвенции, и представить Сторонам по этому вопросу рекомендации в конце двадцать первого года после вступления в силу настоящей Конвенции."

Статья УП

Пункт 3 Статьи У Конвенции заменяется следующим:

" 3. В дополнение к обязательствам, указанным в пункте 2 настоящей Статьи, Комиссия, в соответствии с пунктом 3 Статьи Л время от времени определяет количество котиков, подлежащих мечению на лежбищах, и общее количество котиков, которое будет добываться в море для целей исследований, время добычи этих котиков и районы, где будет производиться добыча, а также количество котиков, которое будет добываться каждой Стороной, принимая во внимание любые рекомендации, сделанные в соответствии с пунктом 2 (д) Статьи У."

Статья IX

Пункт 6 Статьи У Конвенции заменяется следующим:

"6. Комиссия проводит ежегодные сессии в такое время

и в таком месте, как она может решить. Дополнительные сессии проводятся по просьбе двух или более членов Комиссии."

Статья X

Пункт 3 Статьи IX Конвенции заменяется следующим:

"3. Соответствующие Стороны будут стремиться обеспечить применение таких методов добычи, убоя и мечения котиков на суше или в море, которые будут избавлять котиков в максимальной практической осуществимой степени от боли и мучений."

Статья XI

Статья XI Конвенции заменяется следующим:

"Статья XI

Стороны соглашаются встретиться на двадцать втором году после вступления в силу Конвенции для рассмотрения рекомендаций в соответствии с пунктом 2 (е) Статьи У и для определения, какие дальнейшие соглашения могут быть желательны для достижения максимально устойчивой продуктивности котиковых стад северной части Тихого океана."

Статья XII

Пункт 3 Статьи XII Конвенции заменяется следующим:

"3. Настоящая Конвенция вступает в силу в день сдачи на хранение четвертой ратификационной грамоты."

Статья XII

Пункт 4 Статьи XII Конвенции заменяется следующим:

"4. Настоящая Конвенция остается в силе в течение двадцати двух лет и далее до вступления в силу новой или пересмотренной Конвенции о котиках между Сторонами, или до истечения одного года после упомянутого периода в двадцать два года, в зависимости от того, что произойдет ранее; при условии, однако, что настоящая Конвенция прекратит свое действие по истечении одного года со дня подачи какой-либо Стороной письменного уведомления другим Сторонам о намерении прекратить действие настоящей Конвенции."

Статья XIII

I. В Статье XII Конвенции пункт "5" становится пунктом "6".

2. После пункта 4 Статьи XII Конвенции включается следующее:

"5. По просьбе любой из Сторон представители Сторон встретятся в удобное для всех время в течение девяноста дней после такой просьбы для рассмотрения желательности изменений настоящей Конвенции."

Статья XIV

I. Настоящий Протокол подлежит ратификации или принятию. Ратификационные грамоты или документы о принятии будут сданы на хранение Правительству Соединенных Штатов Америки в практически возможный срок.

2. Правительство Соединенных Штатов Америки уведомит другие Правительства, подписавшие настоящий Протокол, о сданных на хранение ратификационных грамотах или документах о принятии.

3. Настоящий Протокол вступает в силу в день сдачи на хранение Правительству Соединенных Штатов Америки четвертой ратификационной грамоты или документа о принятии.

4. Подлинный текст настоящего Протокола будет сдан на хранение Правительству Соединенных Штатов Америки, которое разошлет заверенные копии его всем Правительствам, подписавшим настоящий Протокол.

В удостоверение чего нижеподписавшиеся, должностным образом уполномоченные своими соответствующими Правительствами, подписали настоящий Протокол.

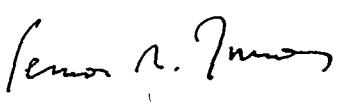
Совершено в Вашингтоне 7 мая 1976 года на русском, английском и японском языках, причем все тексты имеют одинаковую силу.

TIAS 8368

FOR THE GOVERNMENT OF CANADA:

カナダ 政府のためニ

ОТ ИМЕНИ ПРАВИТЕЛЬСТВА КАНАДЫ:

 [1]

FOR THE GOVERNMENT OF JAPAN:

日本国 政府のためニ

ОТ ИМЕНИ ПРАВИТЕЛЬСТВА ЯПОНИИ:

 [2]

FOR THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS:

ソビエト社会主義共和国連邦政府のためニ

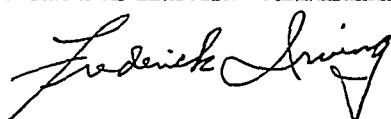
ОТ ИМЕНИ ПРАВИТЕЛЬСТВА СОЮЗА СОВЕТСКИХ СОЦИАЛИСТИЧЕСКИХ РЕСПУБЛИК:

 [3]

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

アメリカ合衆国政府のためニ

ОТ ИМЕНИ ПРАВИТЕЛЬСТВА СОЕДИНЕННЫХ ШТАТОВ АМЕРИКИ:

 [4]

¹ Vernon G. Turner

² Fumihiko Togo

³ A. Dobrynin

⁴ Frederick Irving

FRANCE

Atomic Energy: Technical Information Exchange on Light Water Reactor Safety Research

*Arrangement signed at Washington and Paris September 23 and
October 16, 1974;
Entered into force October 16, 1974.*

TECHNICAL EXCHANGE ARRANGEMENT BETWEEN THE USAEC AND THE FRENCH CEA IN THE FIELD OF RE- SEARCH ON LIGHT WATER REACTOR SAFETY

The United States Atomic Energy Commission (AEC) and the French Commissariat à l'Energie Atomique (CEA), having a mutual interest in the exchange of information in the field of research on light water reactor (LWR) safety, and considering the arrangement on regulations concluded between the Ministère de l'Industrie et de la Recherche Scientifique and U.S.A.E.C. hereby agree as follows:

1. The AEC will make available to the CEA unclassified information in the field of LWR safety research which it has the right to disclose, either in its possession or available to it, including information from the technical areas described in Appendix "A".
2. The CEA will make available to the AEC unclassified information in the field of LWR safety research which it has the right to disclose, either in its possession or available to it, including information from the technical areas described in Appendix "B".
3. The information exchange will be in the form of technical reports, correspondence, news-letters, visits, and such other means as the parties agree. Long-term assignments can be accommodated by mutual agreement on a case-by-case basis. All documents exchanged, which are written in French, will be accompanied by an abstract in English. All documents exchanged, which are written in English, will be accompanied by an abstract in French.
4. Information received pursuant to this arrangement may be disseminated freely in the country of the recipient.

5. Information exchanged under this arrangement shall be subject to the patent provisions in the Patent Addendum to this document.
6. A coordinator will be designated by each party, who will develop and control the arrangements and procedures for implementing the effective exchange of information under this arrangement. Approximately annually, the coordinators will organize joint working sessions at which the achievements, problems, effectiveness, future programs, etc. . . . , pertaining to the exchange will be discussed with the objective of improving the cooperation.
7. 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.
8. Each party will be prepared to the best of its ability, upon specific request, to advise the other on particular questions relating to LWR safety.
9. This arrangement shall remain in operation for five years after its effective date, and may be extended by mutual agreement. However, this arrangement may be terminated at any time, at the discretion of either party, upon six months' advance notification by the party seeking to terminate, to the other party.
10. This arrangement shall enter in force at the date of signature.

DONE in duplicate in the English and French languages. In case of doubt the English version shall be definitive for the interpretation of this agreement.

FOR THE UNITED STATES
ATOMIC ENERGY COMMISSION

FOR THE FRENCH COMMIS-
SARIAT A L'ENERGIE ATO-
MIQUE

By: GERALD F. HELFRICH
Gerald F. Helfrich

By: BERTRAND GOLDSCHMIDT

TITLE: Deputy Director
Division of International
Programs

TITLE: Director of International
Relations

DATE: Sep 23 1974

DATE: 16 october 1974

APPENDIX "A"**AEC-CEA Light Water Reactor Safety Research Exchange Areas
in Which the AEC is Performing LWR Safety Research**

1. Primary coolant system rupture studies.
2. Heavy section steel technology program.
3. LOFT Program.
4. Power Burst Facility—Subassembly 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. All computer codes applicable to the above at whatever state of development they may be.*
13. Data from all experiments applicable to the above.*

*Data and computer codes will be "as is" at the time of the request. AEC or contractor manpower will generally not be available for interpretation of uncompleted work.

APPENDIX "B"**AEC-CEA Light Water Reactor Safety Research Exchange Areas
in Which the CEA is Performing LWR Safety Research**

1. Non-destructive testing and in-service inspection of primary circuit.
2. Performance of pressure vessel steels.
3. Loss of coolant accident study—In pile experiment (PHEBUS).
4. Loss of coolant accident study—Out of pile experiment (OMEGA, ERSEC).
5. Analytical models for loss of coolant analysis.
6. Fission products release and transport studies.
7. Probabilistic studies.
8. Behavior of fuel elements.
9. All computer codes applicable to the above at whatever stage of development they may be.*
10. Data from all experiments applicable to the above.*

*Data and computer codes will be "as is" at the time of the request. CEA or contractor manpower will generally not be available for interpretation of uncompleted work.

PATENT ADDENDUM

- A. With respect to any invention or discovery made or conceived during period of, or in the course of or under, this exchange arrangement on light water reactor safety research between the U.S. Atomic Energy Commission (AEC) and the French Commissariat a l'Energie Atomique (CEA).
- (1) 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:
- (a) The recipient party shall acquire all right, title, and interest in and to any such invention, discovery, patent application or patent in its own country and in third countries subject to a non-exclusive, irrevocable, royalty-free license to the assigning party, with the right to grant sublicenses, under any such invention, discovery, patent application or patent for use in the production or utilization of special nuclear material or atomic energy; and
- (b) The assigning party shall acquire all right, title, and interest in and to any such invention, discovery, patent application or patent 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, discovery, patent application or patent, for use in the production or utilization of special nuclear material or atomic energy.
- (2) If made or conceived while in attendance at meetings or when employing information which has been communicated under this exchange arrangement by one party or its contractors to the other party or its contractors, the party making the invention shall acquire all right, title, and interest in and to any such invention, discovery, patent application or patent in all countries, subject to the grant to the other party of a royalty-free, non-exclusive, irrevocable license, with the right to grant sublicenses, in and to any such invention, discovery, patent application, or patent, in all countries, for use in the production or utilization of special nuclear material or atomic energy.
- B. Neither party shall discriminate against citizens of the country of the other party with respect to granting any license or sublicense under any invention pursuant to subparagraphs A(1) and A(2) above.
- C. Each party waives any and all claims against the other party for compensation, royalty or award as regards any such inventions or discovery, patent application, or patent and releases the other party with respect to any and all such claims.

ACCORD D'ECHANGES TECHNIQUES

entre l'U.S.A.E.C. et le C.E.A. français dans le domaine de la recherche sur la sûreté des réacteurs à eau légère.

La Commission de l'Energie Atomique des Etats-Unis (A.E.C.) et le Commissariat à l'Energie Atomique français (C.E.A.), ayant un intérêt mutuel dans l'échange d'informations dans le domaine de la recherche sur la sûreté des réacteurs à eau et considérant l'accord sur la réglementation intervenu entre le Ministère de l'Industrie et de la Recherche et l'U.S.A.E.C. conviennent ci-après de ce qui suit:

1.—L'A.E.C. mettra à la disposition du C.E.A. dans le domaine de la recherche sur la sûreté des réacteurs à eau les informations non classées qu'elle a le droit de révéler, informations soit en sa possession, soit auxquelles elle a accès, y compris les informations appartenant aux domaines techniques décrits dans l'annexe "A".

2.—Le C.E.A. mettra à la disposition de l'A.E.C., dans le domaine de la recherche sur la sûreté des réacteurs à eau, les informations non classées qu'il a le droit de révéler, informations soit en sa possession, soit auxquelles il a accès, y compris les informations appartenant aux domaines techniques décrits dans l'annexe "B".

3.—L'échange d'informations aura lieu sous la forme de rapports techniques, correspondances, bulletins, visites et autres moyens sur lesquels les deux parties sont d'accord. Des détachements de longue durée pourront être organisés par accord mutuel, cas par cas. Tous les documents échangés rédigés en français seront accompagnés d'un résumé en anglais. Tous les documents échangés rédigés en anglais seront accompagnés d'un résumé en français.

4.—Les informations reçues dans le cadre de cet accord peuvent être diffusées librement dans le pays qui les reçoit.

5.—Les informations échangées dans le cadre de cet accord seront soumises aux clauses de brevet énumérées à l'additif "brevet" à ce document.

6.—Un coordonnateur sera désigné par chaque partie, pour mettre sur pied et surveiller les modalités et les procédures de mise en oeuvre de l'échange effectif d'information dans le cadre de cet accord. A peu près une fois par an, les coordonnateurs organiseront des séances de travail commun où l'état d'avancement, les problèmes, les résultats, les programmes futurs, etc. . . concernant les échanges seront discutés dans le but d'améliorer la collaboration.

7.—L'application ou l'usage de toute information échangée ou transférée entre les parties dans le cadre de cet accord engage la seule responsabilité de la partie qui la reçoit, et la partie qui transmet ne garantie pas qu'une telle information est adéquate pour un usage ou une application particulière.

8.—Chaque partie sera prête, au mieux de ses capacités, sur demande précise, à conseiller l'autre sur des questions particulières concernant la sûreté des réacteurs à eau ordinaire.

9.—Cet accord restera en vigueur pendant cinq ans à compter de sa date de prise d'effet et pourra être étendu par consentement mutuel. Cependant, il peut être mis fin à cet accord n'importe quand, à la discrétion d'une des parties, par notification écrite à l'autre partie six mois ayant le terme choisi.

10.—Cet accord entrera en vigueur à la date de sa signature.

Fait à en anglais et en français. En cas de doute, la version anglaise fera foi.

**Pour la Commission de l'Energie
Atomique des Etats-Unis Pour le Commissariat à l'Energie
Atomique français**

GERALD F. HELFRICH

BERTRAND GOLDSCHMIDT

G. F. HELFRICK
Director-Adjunct
Division des Programmes
Internationaux

B. GOLDSCHMIDT
Directeur des Relations Internationales

ADDITIF “BREVET”

A—En ce qui concerne les inventions ou découvertes faites ou conçues pendant la durée de, ou dans l'exécution de, ou dans le cadre de cet accord d'échange sur la recherche de sûreté des réacteurs à eau ordinaire entre l'A.E.C. des Etats-Unis et le C.E.A. français:

1) Si l'invention ou la découverte est faite ou conçue par le personnel d'une partie (la partie détachante) ou ses contractants pendant qu'il est détaché auprès de l'autre partie (la partie recevante) ou de ses contractants.

a—La partie recevante sera titulaire de tous les droits, titres et profits relatifs à une telle invention ou découverte, sur les demandes de brevet et les brevets correspondants dans son propre pays et dans les pays tiers, sous réserve d'en accorder à la partie détachante une licence gratuite non exclusive, irrévocable, avec le droit d'accorder des sous-licences dans le domaine de la production ou de l'utilisation des matières nucléaires ou de l'énergie atomique.

b—La partie détachante sera titulaire de tous des droits, titres et profits relatifs à une telle invention ou découverte, sur les demandes de brevet et les brevets correspondants dans son propre pays, sous réserve d'accorder à la partie recevante une licence gratuite, non exclusive, irrévocable, avec le droit d'accorder des sous-licences dans le domaine de la production ou de l'utilisation des matières nucléaires ou de l'énergie atomique.

2) Si l'invention ou la découverte est faite lors de la participation à des réunions ou à partir d'informations communiquées dans le cadre

de cet accord d'échange par une partie ou ses contractants, à l'autre partie ou ses contractants, la partie auteur de la découverte ou invention sera titulaire de tous les droits, titres et profits relatifs à cette invention, découverte, demande de brevet et brevets dans tous les pays, sous réserve d'accorder à l'autre partie une licence gratuite, non exclusive, irrévocabile avec le droit d'accorder des sous-licences sur cette invention ou découverte sur les demandes de brevet et brevets correspondants en tous pays dans le domaine de la production ou de l'utilisation des matières nucléaires ou de l'énergie atomique.

B—Chaque partie renonce à toute discrimination contre des citoyens du pays de l'autre partie en ce qui concerne l'attribution de n'importe quelle licence ou sous-licence concernant une invention, conformément aux sous-paragraphes A (1) et A (2) ci-dessus.

C—Chaque partie renonce à toute réclamation contre l'autre en vue d'une compensation, redevance ou récompense concernant telle invention ou découverte, demande de brevet ou brevet et tient l'autre partie quitte à l'encontre de telles réclamations.

ANNEXE "A"

Echange A.E.C.—C.E.A. sur la recherche en matière de sûreté des réacteurs à eau ordinaire. Domaines dans lesquels l'A.E.C. effectue des recherches de sûreté des réacteurs à eau ordinaire.

- 1.—Etudes de rupture du circuit primaire.
- 2.—Programme de technologie d'acier à grande section.
- 3.—Programme LOFT.
- 4.—Réacteur d'essai d'excursion de puissance (P.B.F.)—programme d'essai des sous-assemblages.
- 5.—Essais des effets séparés—études d'accidents de perte de réfrigérant.
- 6.—Analyse d'accidents de perte de réfrigérant—développement d'un modèle analytique.
- 7.—Critères de dimensionnement pour les tuyaux, pompes et vannes.
- 8.—Etudes d'un autre modèle d'ECCS.
- 9.—Etudes de fusion du cœur.
- 10.—Etudes de relâchement et de transport des produits de fission.
- 11.—Etudes probabilistes.
- 12.—Tous les codes de calcul applicables aux sujets ci-dessus, quel que soit leur degré de développement (*).
- 13.—Données de toutes les expériences relatives aux sujets ci-dessus(*) .

*Les données et les codes de calcul seront "en l'état" où ils se trouveront au moment de la demande. Le personnel de l'U.S.A.E.C. ou de ses contractants ne sera généralement pas disponible pour interpréter des travaux inachevés.

ANNEXE "B"

Echanges A.E.C.-C.E.A. sur la recherche de sûreté des réacteurs à eau ordinaire. Domaines dans lesquels le C.E.A. effectue des recherches de sûreté sur les réacteurs à eau ordinaire.

- 1.—Essais non destructifs et inspection en service du circuit primaire.
- 2.—Performances des cuves sous pression en acier.
- 3.—Etude de l'accident de perte de réfrigérant—expérience en pile (PHEBUS).
- 4.—Etude de l'accident de perte de réfrigérant—expérience hors pile (OMEGA, ERSEC).
- 5.—Modèles analytiques pour l'analyse de perte de réfrigérant.
- 6.—Etudes de relâchement et de transport des produits de fission.
- 7.—Etudes probabilistes.
- 8.—Comportement des éléments combustibles.
- 9.—Tous les codes de calcul applicables aux sujets ci-dessus, quel que soit leur degré de développement(*) .
- 10.—Données de toutes les expériences relatives aux sujets ci-dessus(*) .

*Les données et les codes de calcul seront "en l'état" où ils se trouveront au moment de la demande. Le personnel du C.E.A. ou des contractants ne sera généralement pas disponible pour interpréter des travaux inachevés.

SPAIN

Criminal Investigations

*Agreement signed at Washington July 14, 1976;
Entered into force July 14, 1976.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE BETWEEN
THE UNITED STATES DEPARTMENT OF JUSTICE AND THE CHIEF
PROSECUTOR OF THE SPANISH SUPREME COURT IN
CONNECTION WITH THE LOCKHEED AIRCRAFT
CORPORATION MATTER

The United States Department of Justice and the Chief Prosecutor of the Spanish Supreme Court, 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 Spain of the Lockheed Aircraft Corporation and its subsidiaries and affiliates:

1. 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 Spain of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.
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 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 including 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 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 involved, 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. 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.

8. The assistance to be rendered to the Chief Prosecutor of the Spanish Supreme Court by the Department of Justice shall not be required to extend to such acts as might result in the immunization of any person from prosecution in the United States.

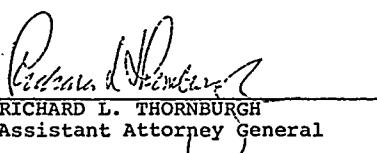
9. All assistance by a requested state will be performed subject to all limitations imposed by its domestic law. Execution of a request for assistance may be postponed, denied, or made subject to conditions to be agreed upon, if execution would interfere with an ongoing investigation or legal proceeding in the requested state.

10. Nothing contained herein shall limit the rights of the parties to utilize for any purpose information obtained independently of these procedures.

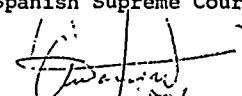
11. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities, and is not intended to benefit third parties or to affect the admissibility of evidence under the laws of either the United States or Spain.

Done at Washington, D. C. this 14th day of July, 1976, in the English and Spanish languages, both texts being authentic.

For the United States Department
of Justice:


RICHARD L. THORNBURGH
Assistant Attorney General

The Chief Prosecutor of the
Spanish Supreme Court:


ANTONIO GARCIA Y RODRIGUEZ-ACOSTA
The Chief Prosecutor of the
Spanish Supreme Court

ANNEX TO

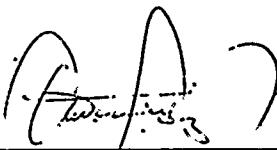
AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE BETWEEN
THE UNITED STATES DEPARTMENT OF JUSTICE AND THE CHIEF
PROSECUTOR OF THE SPANISH SUPREME COURT IN
CONNECTION WITH THE LOCKHEED AIRCRAFT
CORPORATION MATTER

signed on July 14, 1976

For purposes of this agreement, the term "law enforcement agency" means an agency, instrumentality or organ of the state (including Spanish Investigating Magistrates) which performs investigative or prosecutive functions in criminal, civil or administrative matters relating to the enforcement of the public laws of the state--as distinguished from tribunals or other adjudicatory bodies which determine legal responsibility--and whose proceedings, files and records are by law kept confidential.



RICHARD L. THORNBURGH
Assistant Attorney General



ANTONIO GARCIA Y RODRIGUEZ-ACOSTA
The Chief Prosecutor of the
Supreme Court

ACUERDO DE PROCEDIMIENTO PARA AYUDA MUTUA
ENTRE EL FISCAL DEL TRIBUNAL SUPREMO DE
ESPAÑA Y EL DEPARTAMENTO DE JUSTICIA DE
ESTADOS UNIDOS DE AMERICA EN RELACION CON
LA "LOCKHEED AIRCRAFT CORPORATION".

El Fiscal del Tribunal Supremo de España y el Departamento de Justicia de los Estados Unidos, designados de ahora en adelante como "las partes", establecen las siguientes reglas para regular la mutua asistencia que habrá de prestarse a los órganos de la Administración de Justicia de sus respectivos países con referencia a los supuestos actos ilícitos relacionados con las operaciones de venta realizadas en España por la Lockheed Aircraft Corporation y sus subsidiarias o afiliadas.

1. Todas las solicitudes de ayuda entre las partes serán cursadas por vía diplomática.
2. A requerimiento de cualesquiera de las partes, éstas pondrán todos los medios para facilitarse la información necesaria, tal como balances, declaraciones, documentos, libros y archivos de la Compañía, correspondencia y cualquiera otra documentación que obre en su poder con referencia a los supuestos actos ilícitos relacionados con las operaciones de venta en España de la Lockheed Aircraft Corporation y sus subsidiarias o afiliadas.
3. Dichas informaciones sólo se utilizarán por ambas partes con el exclusivo fin de facilitar la investigación que puedan llevar a cabo los órganos de la Administración de Justicia en procedimientos penales, civiles y administrativos que se designarán, de ahora en adelante, como "procedimientos legales".

4. Las informaciones proporcionadas relativas a estos procedimientos legales, excepto aquéllas a que se refiere el párrafo 5 del presente Acuerdo, así como la correspondencia de cualquier clase entre las partes relacionada con dichos procedimientos, se considerarán secretas, no pudiendo en ningún caso comunicarse a terceros, incluidas las Agencias Gubernativas que no ejerzan funciones de Administración de Justicia. La comunicación de esta información a otras Agencias integradas en la Administración de Justicia quedará condicionada a la aceptación, por parte de la Agencia receptora, de las reglas que aquí se establecen. En caso de ruptura del secreto de las informaciones suministradas, la otra parte quedará en libertad de interrumpir la colaboración establecida por estas reglas.

5. La información proporcionada de conformidad con las presentes reglas podrá ser utilizada libremente en los procedimientos incoados en el estado solicitante en los que intervenga algún órgano de su Administración de Justicia, y las partes procurarán facilitarse dicha información para ser utilizada en tales procesos de forma que sea admisible de acuerdo con las reglas de recibimiento a prueba en vigor en el estado receptor, incluyendo -pero sin excluir otros medios- certificados, legalizaciones y cualquier otro trámite que se requiera para el recibimiento a prueba.

6. Con anterioridad a la apertura de procedimientos de los tipos indicados en los que vayan a ser utilizadas, las partes

se comunicarán las informaciones que se hayan proporcionado de acuerdo con estas reglas, en el sentido del párrafo 5, con la antelación suficiente para permitir posibles consultas previas.

7. Las partes desplegarán la actividad necesaria para la rápida ejecución de comisiones rogatorias acordadas por las Autoridades Judiciales en relación con los procedimientos judiciales incoados en los países respectivos.

8. La asistencia prestada al Fiscal del Tribunal Supremo de España por el Departamento de Justicia no debe extenderse a actividades susceptibles de provocar situaciones de inmunidad que impidan que una persona sea procesada en los Estados Unidos.

9. Toda la asistencia prestada por el Estado requerido estará sujeta a las limitaciones impuestas por el ordenamiento jurídico nacional. La ejecución de una petición de ayuda podrá ser aplazada, denegada o sometida a las condiciones que se acuerden, si dificulta una investigación determinada o un sumario en curso.

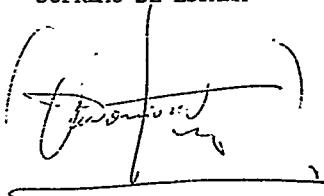
10. Lo dispuesto en el presente Acuerdo no limitará los derechos de las partes para utilizar, con cualquier finalidad, las informaciones obtenidas por medios distintos de los establecidos en este Acuerdo.

11. La ayuda mutua prestada por las partes en relación con este Acuerdo de procedimiento está dirigida al beneficio exclusivo de sus respectivos órganos de la Administración de Justicia

y no tiene por objeto beneficiar a terceros, sin que afecte
tampoco a la admisión de pruebas según la legislación de
Estados Unidos y España respectivamente.

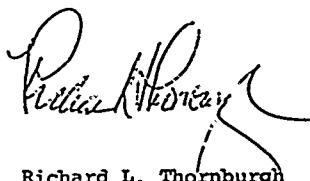
Hecho en Washington el 14 de julio de 1976, en ejemplar
doble en lengua inglesa y española, siendo ambos textos
fiehacientes.

EL FISCAL DEL TRIBUNAL
SUPREMO DE ESPAÑA



Antonio Garcia Rodriguez-Acosta
Fiscal del Tribunal Supremo

POR EL DEPARTAMENTO DE
JUSTICIA DE ESTADOS
UNIDOS DE AMERICA



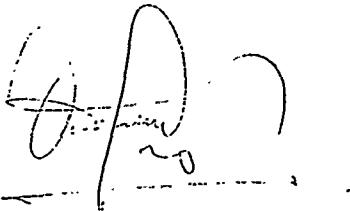
Richard L. Thornburgh
Assistant Attorney-General

ANEXO AL

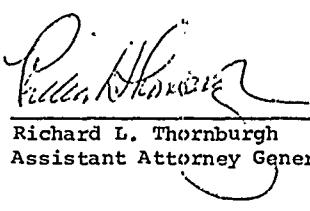
ACUERDO DE PROCEDIMIENTO PARA AYUDA MUTUA
ENTRE EL FISCAL DEL TRIBUNAL SUPREMO DE
ESPAÑA Y EL DEPARTAMENTO DE JUSTICIA DE
LOS ESTADOS UNIDOS DE AMERICA EN RELACION
CON LA "LOCKHEED AIRCRAFT CORPORATION"

Firmado el 14 de julio de 1976

A los fines del presente Acuerdo, los términos "Organos de la Administración de Justicia", significan una Agencia, Oficina u Organo del Estado (incluidos los Jueces de Instrucción españoles) que realizan funciones de investigación e instrucción en asuntos penales, civiles o administrativos relativos al cumplimiento de las leyes públicas del Estado -distinguiéndolos de los Tribunales y otros cuerpos judiciales que determinan la responsabilidad legal- y cuyos sumarios, archivos y expedientes son secretos por disposición legal.



Antonio Garcia Rodriguez-Acosta
Fiscal del Tribunal Supremo



Richard L. Thornburgh
Assistant Attorney General

TURKEY

Criminal Investigations

*Agreement signed at Washington July 8, 1976;
Entered into force July 8, 1976.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE IN THE ADMINISTRATION OF JUSTICE IN CONNECTION WITH THE LOCKHEED AIRCRAFT CORPORATION AND THE McDONNELL DOUGLAS CORPORATION MATTERS

The United States Department of Justice and the Turkish Ministry of Justice, 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 Turkey of the Lockheed Aircraft Corporation and the McDonnell Douglas Corporation and their subsidiaries or affiliates:

1. 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 Turkey of the Lockheed Aircraft Corporation and the McDonnell Douglas Corporation and their subsidiaries or affiliates.
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 these procedures, and all correspondence between the parties relating to such information and to the implementation of these procedures, shall be kept confidential by

both parties 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. Unless otherwise agreed, should a subsequent development in accordance with existing domestic law, impair the ability of the requesting state, or an agency thereof, to carry out the terms set forth herein, the requesting state shall promptly return all materials made available hereunder to the requested state.

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 of the requesting state 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 prior to the use, within the meaning of paragraph 5, of any information made available pursuant to these procedures.

7. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory issued by the judicial authorities of their respective countries in connection with any legal proceedings which may ensue in their respective countries.

8. 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.

9. All actions to be taken 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 or denied if execution would interfere with an ongoing investigation or legal proceeding in the requested state.

10. Nothing contained herein shall limit the rights of the parties to utilize for any purpose information which is obtained by the parties independent of these procedures.

11. 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 or designed to benefit third parties or to affect the admissibility of evidence under the laws of either the United States or Turkey.

12. This agreement shall enter into force in the manner provided by the domestic laws of the United States and Turkey, respectively. [1]

13. This agreement shall remain in force for one year.

¹ July 8, 1976.

DONE at Washington, D.C. this 8th day of July, 1976, in duplicate in the English and Turkish languages, both texts being equally authentic.

FOR THE UNITED STATES
DEPARTMENT OF JUSTICE:

RICHARD THORNBURGH

Richard L. Thornburgh
Assistant Attorney General
Criminal Division

FOR THE TURKISH MINISTRY
OF JUSTICE:

MELİH ESENBEL

Melih Esenbel
Ambassador of Turkey

**LOCKHEED UÇAK ŞİRKETİ VE McDONNELL DOUGLAS
ŞİRKETİ KONULARINA İLİŞKİN OLARAK ADALETİN
YERİNE GETİRİLMESİNDEN KARŞILIKLI YARDIM USUL-
LERİ HAKKINDA ANLAŞMA**

Birleşik Devletler Adalet Bakanlığı ve Türk Adalet Bakanlığı (bundan sonra "Taraflar" olarak anılacaktır) Lockheed Uçak Şirketi ve McDonnell Douglas Şirketi ile bu Şirketlerin kontrolu altında bulunan şirketlerin veya bu Şirketlere bağlı şirketlerin Türkiye'de satış faaliyetlerine ilişkin kanun dışı olduğu ileri sürülen fiilleri konusunda birbirlerinin ülkesindeki adli kovuşturma makamlarına yapacakları karşılıklı yardım konusunda aşağıda belirtilen usulleri teyid ederler:

1. Taraflar arasındaki her türlü yardım talepleri diplomatik yoldan yapılır.
2. Taraflar talep üzerine, Lockheed Uçak Şirketi ve McDonnell Douglas Şirketi ile bu Şirketlerin kontrolu altında bulunan şirketlerin veya bu Şirketlere bağlı şirketlerin Türkiye'de satış faaliyetlerine ilişkin kanun dışı olduğu ileri sürülen fiilleri konusunda beyanlar, yeminli ifadeler, belgeler, işlem kayıtları, yazışmalar ve diğer maddi subut vasıtaları gibi olayla ilgili ve maddi bilgileri birbirlerine vermek için mümkün olan her türlü çabayı harcarlar.
3. Bu bilgiler münhasırın, talep eden ülkenin adli kovuşturma ile sorumlu makamlarınca yapılan scrusturma ve bunu takip edecek ve bundan sonra "yargılama" olarak anılacak olan, hukuki, cezai ve idari yargılama maksadıyla kullanılır.
4. 5'inci madde hükmü müstesna olmak kaydıyla, bu usullere uygun olarak Taraflarca verilen her türlü bilgi ve Taraflar arasında bu bilgilere ve sözkonusu usullerin uygulanmasına ilişkin bütün haberleşmeler her iki Tarafça gizli tutulur ve üçüncü tarafa veya Tarafların adli kovuşturma ile sorumlu olmayan resmi makamlarına açıklanmaz.

Adli kovuşturma ile sorumlu diğer makamlara açıklama yapılması bu makamların burada belirtilen şartları kabul etmelerine bağlıdır. Başka türlü mutabık kalınmadığı takdirde yürürlükteki iç hukuka uygun olarak meydane gelebilecek bir değişiklik talep eden devleti veya onun bir makamını, burada belirtilen şartları yerine getiremeyecek durumda bırakacak olursa, talep eden devlet kendisine sağlanan bütün maddi subut vasıtalarını talep edilen devlete süratle geri verir.

Gizliliğe riayetsizlik halinde diğer taraf bu usuller uyarınca yapılan işbirliğine devam etmeyecektir.

5. Bu usuller uyarınca verilen bilgiler talep eden devlette bu ülkenin adli kovuşturma ile sorumlu bir makamının taraf olacağı müteakip yargılama saflarında serbestçe kullanılabilir ve Taraflar, amilan yargılamalarda kullanılmak gayesiyle, talep eden devlette mevcut delil ikame kurallarına göre geçerli olacak şekilde, tasdik ve tevsik işlemleri ve delillerin geçerliliğinin esasını sağlamak için gerekebilecek diğer yardımlar da dahil olmak üzere, ancak bunlarla sınırlı bulunmamak üzere, bilgi vermek hususunda elliinden gelen her türlü çabayı harcarlar.

6. Taraflar, bu usullere uyularak verilen herhangi bir bilginin, 5'inci maddenin anlamı çerçevesinde, kullanılmasından önce bir ön ihbarla bulunurlar.

7. Taraflar yekdiğerinin ülkesinde yapılabilecek yargılamalar ile ilgili olarak birbirlerinin yargı mercilerince talep edilen istinabe işlemlerinin gereğinin süratle yerine getirilmesine yardımcı olmak için elliinden gelen her türlü çabayı harcarlar.

8. Talep eden bir devlete yapılacak yardımın herhangi bir kimsenin, talep edilen devletin makamlarınca talep edilen devlette kovuşturmadan muaf tutulması sonucunu doğurabilme gibi hususları kapsamına alması istenecektir.

9. Talep edilen devlet tarafından yapılacak bütün işlemler bu devletin iç hukukunun koyduğu bütün sınırlamalara tabi olacaktır.

Bir yardım talebinin yerine getirilmesi talep edilen devlette devam etmekte olan bir soruşturma veya yargılamaya müdafhe teşkil ediyorsa, bu talebin yerine getirilmesi ertelenebilir veya reddedilebilir.

10. Burada belirtilen hiç bir husus, Tarafların bu usullerden bağımsız olarak elde ettikleri bilgileri herhangi bir amaç için kullanmalarını kısıtlamaz.

11. Bu usullere uygun olarak Tarafların yapacakları karşılıklı yardım sadece birbirlerinin adli kovuşturma ile sorumlu makamlarının istifadesi amacıyla matuf olup, üçüncü bir tarafın istifadesi veya Birleşik Devletler veya Türkiye'nin hukuki mevzuatına göre delillerin geçerliliğini etkileme niyeti veya amacını taşımaz.

12. Bu anlaşma Amerika Birleşik Devletleri ve Türkiye' nin iç hukuklarının öngördükleri şekilde yürürlüğe girer.

13. Bu anlaşma bir yıl süre ile yürürlükte kalır.

İşbu anlaşma, İngilizce ve Türkçe olarak iki nüsha halinde ve her iki nüshası da aynı derecede geçerli olmak üzere Washington'da 8 Temmuz 1976 tarihinde yapılmıştır.

RICHARD THORNBURGH A.B.D. ADALET BAKANLIĞI Adına	MELİH ESENBEL TÜRKİYE CUMHURİYETİ ADALET BAKANLIĞI Adına
Richard L. Thornburgh <i>Bakan Yardımcısı</i>	Melih Esenbel <i>Türkiye Büyükelçisi</i>

AUSTRALIA

Criminal Investigations

*Agreement signed at Washington September 13, 1976;
Entered into force September 13, 1976.*

PROCEDURES FOR MUTUAL ASSISTANCE IN
ADMINISTRATION OF JUSTICE IN CONNECTION
WITH THE LOCKHEED AIRCRAFT CORPORATION
MATTER

The United States Department of Justice and the Attorney-General's Department of the Commonwealth of Australia, 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 allegations regarding illicit acts pertaining to the sales activities in Australia of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.

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 sales activities in Australia of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.
3. Such information shall be used exclusively for purposes of investigation conducted by agencies with law enforcement responsibilities and in ensuing legal proceedings, criminal, civil and administrative.

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 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, criminal, civil and administrative, in the requesting state in which an agency of the requesting state 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 prior to the institution of legal proceedings, criminal, civil and administrative, in which information made available pursuant to these procedures is intended to be used.

7. Upon request, the parties agree to permit the interviewing of persons in their respective countries by law enforcement officials of the other party, provided advance notice is given of the identity of the persons to be interviewed and of the place of the interview. Representatives of the other party may be present at such interviews. The parties will assist each other in arranging for such interviews and will permit the taking of testimony or statements or the production of documents and other materials in accordance with the practice and procedure of the requested state and so far as the laws of that state allow. 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 party.

8. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory issued by the judicial authorities of their respective countries in connection with legal proceedings, criminal, civil and administrative, 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 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 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 if execution would interfere with ongoing investigations or legal proceedings, criminal, civil and administrative, 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 these procedures.

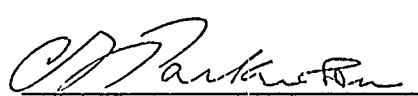
12. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities and is not intended or designed to benefit third parties, or to affect the admissibility of evidence under the laws of either the United States or Australia.

Done at Washington, D.C. this 13th day of September 1976.

For the United States Department
of Justice:


RICHARD L. THORNBURGH
Assistant Attorney General

For the Attorney-General's
Department of the Commonwealth
of Australia:


N. F. PARKINSON
Ambassador of Australia

FEDERAL REPUBLIC OF GERMANY

Criminal Investigations

*Agreement signed at Washington September 24, 1976;
Entered into force September 24, 1976.
With agreed minutes.*

AGREEMENT BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE AND THE FEDERAL MINISTER OF JUSTICE OF THE FEDERAL REPUBLIC OF GERMANY

concerning mutual assistance in the administration of justice in connection with the Lockheed Aircraft Corporation matter.

1. The United States Department of Justice and the Federal Minister of Justice of the Federal Republic of Germany, hereinafter referred to as "the parties", agree to render, in accordance with the laws of their respective countries and with the provisions of this agreement, mutual assistance to agencies with law enforcement responsibilities in their respective countries with respect to alleged illicit acts pertaining to the sales activities in the Federal Republic of Germany of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.

2. Unless otherwise agreed, all requests for assistance shall be communicated between the parties through the diplomatic channel.

3. 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 the Federal Republic of Germany of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.

4. 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".

5. Except as provided in paragraph 6, or unless otherwise agreed, 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.

6. Information made available pursuant to this agreement may be used freely in ensuing legal proceedings in the requesting state in which an agency of the requesting state 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.

7. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 6, of any information made available pursuant to this agreement.

8. 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.

9. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory issued by the tribunals of their respective countries in connection with any legal proceedings which may ensue in 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.

10. 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.

11. 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.

12. 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.

13. 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 of America or of the Federal Republic of Germany.

14. This agreement shall not affect any other conventions, agreements or arrangements in force between the United States of America and the Federal Republic of Germany regarding reciprocal assistance.

15. This agreement shall also apply to Land Berlin provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the United States of America within three months from the date of entry into force of this agreement.

16. This agreement shall enter into force on the date of signature by both parties.

DONE in Washington, D.C., this 24th day of September, 1976 in duplicate in the English and German languages, both texts being equally authentic.

FOR THE UNITED STATES
DEPARTMENT OF JUSTICE:

FOR THE FEDERAL MINISTER
OF JUSTICE OF THE FEDERAL
REPUBLIC OF GERMANY:

JOHN C. KEENEY

WILHELM SCHNEIDER

John C. Keeney
Deputy Assistant Attorney
General
Criminal Division

Wilhelm Schneider
Ministerialdirektor

Agreed Minutes

1. A delegation of the United States Department of Justice, headed by Deputy Attorney General Harold R. Tyler, Jr., and a delegation of the Federal Ministry of Justice of the Federal Republic of Germany, headed by Staatssekretär Dr. Guenther Erkel, conducted negotiations during the period September 20–24, 1976, which had begun in July 1976, and executed an agreement concerning mutual assistance in the administration of justice in connection with the Lockheed Corporation matter. The agreement, which was signed on September 24, 1976 by Deputy Assistant Attorney General John C. Keeney on behalf of the United States Department of Justice and by Ministerialdirektor Wilhelm Schneider on behalf of the Federal Ministry of Justice of the Federal Republic of Germany, entered into force upon signature.

2. The delegations agree as follows:

a. The Agreement does not foreclose the use of information—furnished by the United States Department of Justice—by the Fed-

eral Minister of Justice in the discharge of obligations of the Federal government arising out of the Basic Law for the Federal Republic of Germany, subject to prior consultation with, and consent of, the United States Department of Justice, as provided by paragraph 5 of the Agreement.

b. An extension of the Agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by a competent authority of the Federal Republic of Germany could be accomplished by an exchange of letters between the parties.

c. For purposes of the Agreement, the term "law enforcement agencies" means all agencies authorized to investigate alleged violations of law which may lead to criminal, civil or administrative proceedings, or to conduct such proceedings. The term "administrative proceedings" includes disciplinary proceedings.

DONE in Washington, D.C., this 24th day of September, 1976, in duplicate in the English and German languages, both texts being equally authentic.

FOR THE UNITED STATES
DEPARTMENT OF JUSTICE:

JOHN C. KEENEY

John C. Keeney
Deputy Assistant Attorney
General
Criminal Division

FOR THE FEDERAL MINISTER
OF JUSTICE OF THE FEDERAL
REPUBLIC OF GERMANY:

WILHELM SCHNEIDER

Wilhelm Schneider
Ministerialdirektor

ABKOMMEN ZWISCHEN DEM BUNDESMINISTER DER JUSTIZ
DER BUNDESREPUBLIK DEUTSCHLAND UND DEM
JUSTIZMINISTERIUM DER VEREINIGTEN STAATEN VON
AMERIKA

über gegenseitige Unterstützung bei der Ausübung der Rechtspflege
im Zusammenhang mit der Angelegenheit Lockheed Aircraft Corpora-
tion

1. Der Bundesminister der Justiz der Bundesrepublik Deutschland und das Justizministerium der Vereinigten Staaten von Amerika, im folgenden als "Vertragsparteien" bezeichnet, kommen überein, nach Maßgabe des jeweils geltenden innerstaatlichen Rechts und der Bestimmungen dieses Abkommens Stellen mit Rechtspflegeaufgaben im anderen Land hinsichtlich angeblicher rechtswidriger Handlungen im Zusammenhang mit in der Bundesrepublik Deutschland durchgeführten Verkaufsmaßnahmen der Lockheed Aircraft Corporation

und ihrer Tochtergesellschaften oder Zweigfirmen Unterstützung zu gewähren.

2. Sofern nichts anderes vereinbart wird, übermitteln die Vertragsparteien einander alle Ersuchen um Unterstützung auf diplomatischem Weg.

3. Die Vertragsparteien bemühen sich nach besten Kräften, einander auf Ersuchen alle verfügbaren erheblichen und sachdienlichen Informationen wie Erklärungen, Aussagen unter Eid, Urkunden, Geschäftsunterlagen, Schriftverkehr oder sonstige Unterlagen über angebliche rechtswidrige Handlungen im Zusammenhang mit in der Bundesrepublik Deutschland durchgeführten Verkaufsmaßnahmen der Lockheed Aircraft Corporation und ihrer Tochtergesellschaften oder Zweigfirmen zur Verfügung zu stellen.

4. Diese Informationen werden ausschließlich für Untersuchungen, die von Stellen mit Rechtspflegeaufgaben durchgeführt werden, und in den sich anschließenden Straf-, Zivil- und Verwaltungsverfahren, im folgenden als "Gerichtsverfahren" bezeichnet, verwendet.

5. Sofern nicht in Nummer 6 etwas anderes bestimmt ist oder sofern nichts anderes vereinbart wird, werden alle diese von den Vertragsparteien auf Grund dieses Abkommens zur Verfügung gestellten Informationen sowie jeder Schriftverkehr zwischen ihnen über diese Informationen und über die Durchführung dieses Abkommens vertraulich behandelt und nicht an Dritte oder an staatliche Stellen ohne Rechtspflegeaufgaben weitergegeben. Die Weitergabe an andere Stellen mit Rechtspflegeaufgaben ist von der Annahme der in diesem Abkommen enthaltenen Bedingungen durch die empfangende Stelle abhängig zu machen.

Wird die Vertraulichkeit verletzt, so kann die andere Vertragspartei die Zusammenarbeit auf Grund dieses Abkommens einstellen.

6. Die auf Grund dieses Abkommens zur Verfügung gestellten Informationen können im ersuchenden Staat in den sich anschließenden Gerichtsverfahren, an denen eine mit Rechtspflegeaufgaben betraute Stelle dieses Staates beteiligt ist, unbeschränkt verwendet werden; die Vertragsparteien bemühen sich nach besten Kräften, die Informationen für diese Gerichtsverfahren in einer solchen Form zur Verfügung zu stellen, daß sie nach den in dem ersuchenden Staat geltenden Beweisregeln zulässig sind, unter anderem durch Bescheinigung, Beglaubigung und sonstige Maßnahmen, die als Grundlage für die Zulässigkeit der Beweise erforderlich sind.

7. Die Vertragsparteien werden, bevor sie Informationen, die auf Grund dieses Abkommens zur Verfügung gestellt worden sind, im Sinne der Nummer 6 verwenden, dies vorher ankündigen und Gelegenheit zu Konsultationen bieten.

8. Auf Ersuchen gewährt die ersuchte Vertragspartei entsprechend der Praxis und dem Verfahren des ersuchten Staates den Stellen mit Rechtspflegeaufgaben des ersuchenden Staates Unterstützung, z.B. beim Auffinden und bei der Befragung von Zeugen, bei der Entgegennahme von Zeugenaussagen oder Erklärungen oder bei der Beschaffung von Urkunden oder sonstigen Unterlagen. Vertreter des ersuchenden

Staates können sich an der Erledigung des Ersuchens beteiligen, wenn die zuständige Behörde des ersuchten Staates zustimmt.

Die ersuchende Vertragspartei verfolgt ihr Ersuchen um Befragung oder um Beschaffung von Urkunden und sonstigen Unterlagen nicht weiter, wenn die ersuchte Vertragspartei der Ansicht ist, daß diese Maßnahme einen Eingriff in eine schwebende Untersuchung oder ein schwebendes Verfahren vor den Behörden des ersuchten Staates bedeuten würde.

9. Die Vertragsparteien bemühen sich nach besten Kräften, bei der raschen Erledigung der von Gerichten ihrer Länder ausgehenden Rechtshilfeersuchen im Zusammenhang mit einem Gerichtsverfahren, das sich daran in ihren Ländern anschließt, mitzuhelfen. Soweit das zuständige Gericht des ersuchten Staates dies gestattet, können Vertreter des ersuchenden Staates sich an der Erledigung des Rechtshilfeersuchens beteiligen.

10. Die Unterstützung für den ersuchenden Staat braucht sich nicht auf Maßnahmen der Behörden des ersuchten Staates zu erstrecken, die dazu führen könnten, daß eine Person von der Strafverfolgung in dem ersuchten Staat befreit wird.

11. Alle von den Behörden des ersuchten Staates zu treffenden Maßnahmen werden vorbehaltlich aller in seinem innerstaatlichen Recht vorgesehenen Einschränkungen durchgeführt. Die Erledigung eines Ersuchens um Unterstützung kann aufgeschoben, abgelehnt oder von besonderen Bedingungen abhängig gemacht werden, wenn sie einen Eingriff in eine schwebende Untersuchung oder ein schwebendes Gerichtsverfahren im ersuchten Staat bedeuten würde.

12. Dieses Abkommen beschränkt nicht das Recht der Vertragsparteien, Informationen, die sie unabhängig von diesem Abkommen erlangt haben, für jeden beliebigen Zweck zu verwenden.

13. Die von den Vertragsparteien nach diesem Abkommen zu gewährende Unterstützung ist nur zum Nutzen ihrer jeweiligen Stellen mit Rechtspflegeaufgaben bestimmt, nicht jedoch zugunsten Dritter oder zur Beeinträchtigung der Zulässigkeit von Beweisen nach dem Recht der Bundesrepublik Deutschland oder der Vereinigten Staaten von Amerika.

14. Dieses Abkommen läßt sonstige zwischen der Bundesrepublik Deutschland und den Vereinigten Staaten von Amerika in Kraft befindliche Übereinkommen, Abkommen und Vereinbarungen über gegenseitige Unterstützung unberührt.

15. Dieses Abkommen gilt auch für das Land Berlin, sofern nicht die Regierung der Bundesrepublik Deutschland gegenüber der Regierung der Vereinigten Staaten von Amerika innerhalb von drei Monaten nach dem Inkrafttreten dieses Abkommens eine gegenseitige Erklärung abgibt.

16. Dieses Abkommen tritt am Tag seiner Unterzeichnung durch beide Vertragsparteien in Kraft.

GESCHEHEN zu Washington, D.C. am 24. September 1976 in zwei Urschriften, jede in deutscher und in englischer Sprache, wobei jeder Wortlaut gleichermaßen verbindlich ist.

FÜR DEN BUNDESMINISTER
DER JUSTIZ DER BUNDES-
REPUBLIK DEUTSCHLAND:

WILHELM SCHNEIDER

Wilhelm Schneider
Ministerialdirektor

FÜR DAS JUSTIZMINISTERIUM
DER VEREINIGTEN STAATEN
VON AMERIKA:

JOHN C. KEENEY

**John C. Keeney
Deputy Assistant Attorney
General, Criminal Division**

Vereinbarte Niederschrift

1. Eine Delegation des Bundesministeriums der Justiz der Bundesrepublik Deutschland unter Leitung von Staatssekretär Dr. Guenther Erkel und eine Delegation des Justizministeriums der Vereinigten Staaten von Amerika unter Leitung von Deputy Attorney General Harold R. Tyler, jun., haben in der Zeit vom 20. bis 24. September 1976 in Washington, D.C. im Juli 1976 begonnene Verhandlungen fortgefuehrt und ein Abkommen ueber gegenseitige Unterstuetzung bei der Ausuebung der Rechtspflege im Zusammenhang mit der Angelegenheit der Lockheed Aircraft Corporation fertiggestellt. Das Abkommen ist am 24. September 1976 von Ministerialdirektor Wilhelm Schneider fuer das Bundesministerium der Justiz der Bundesrepublik Deutschland und von Deputy Assistant Attorney General John C. Keeney fuer das Justizministerium der Vereinigten Staaten von Amerika unterzeichnet worden und mit der Unterzeichnung in Kraft getreten.

2. Die Delegationen stimmen wie folgt ueberein:

a) Das Abkommen schliesst den Gebrauch von Informationen, die vom Justizministerium der Vereinigten Staaten von Amerika uebermittelt worden sind, durch den Bundesminister der Justiz zur Erfuellung von Verpflichtungen, die sich fuer die Bundesregierung aus dem Grundgesetz fuer die Bundesrepublik Deutschland ergeben, nicht aus, sofern das Justizministerium der Vereinigten Staaten von Amerika zuvor konsultiert worden ist und zugestimmt hat, wie dies in der Nummer 5 des Abkommens vorgesehen ist.

b) Eine Ausdehnung des Abkommens auf aehnliche Faelle, in denen Untersuchungen sowohl von einer zustaendigen Behoerde in der Bundesrepublik Deutschland als auch vom Justizministerium der Vereinigten Staaten von Amerika gefuehrt werden oder beabsichtigt sind, kann durch einen Briefwechsel zwischen den Vertragspartnern erfolgen.

c) Als Stellen mit Rechtspflegeaufgaben im Sinne des Abkommens gelten alle Stellen, die ermaechtigt sind, wegen vermuteter Zu widerhandlungen gegen gesetzliche Vorschriften Ermittlungen anzustellen, die zu einem strafrechtlichen, zivilrechtlichen oder verwaltungsrechtlichen Verfahren fuehren koennen, oder die ermaechtigt sind, derartige Verfahren zu fuehren. Der Begriff des verwaltungsrechtlichen Verfahrens schliesst auch Disziplinarverfahren ein.

GESCHEHEN zu Washington, D.C. am 24. September 1976 in zwei Urschriften, jede in deutscher und in englischer Sprache, wobei jeder Wortlaut gleichermassen verbindlich ist.

FUER DEN BUNDESMINISTER
DER JUSTIZ DER BUNDESRE-
PUBLIK DEUTSCHLAND

WILHELM SCHNEIDER

Wilhelm Schneider
Ministerialdirektor

FUER DAS JUSTIZMINISTE-
RIUM DER VEREINIGTEN
STAATEN VON AMERIKA

JOHN C. KEENEY

John C. Keeney
*Deputy Assistant Attorney
General, Criminal Division*

ITALY

Criminal Investigations

*Agreement signed at Washington March 29, 1976;
Entered into force April 12, 1976.*

PROCEDURES FOR MUTUAL ASSISTANCE IN THE
ADMINISTRATION OF JUSTICE IN CONNECTION
WITH THE LOCKHEED AIRCRAFT CORPORATION
MATTER

The United States Department of Justice and the Italian Ministero di Grazia e Giustizia, 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 Italy of the Lockheed Aircraft Corporation and its subsidiaries or affiliates:

1. 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 Italy of the Lockheed Aircraft Corporation and its subsidiaries or affiliates.
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 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 law enforcement responsibilities shall be conditioned on the recipient agency's acceptance of the terms set forth herein. Should a subsequent change in the domestic law impair the ability of the requesting state, or an agency thereof, to carry out the terms set forth herein, the requesting state shall promptly return all materials made available hereunder to the requested state.

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 of the requesting state 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, the parties agree to permit the interviewing of persons in their respective countries by law enforcement officials of the other party, provided advance notice is given of the identity of the persons to be interviewed and of the place of the interview. Representatives of the other party may be present at such interviews. The parties will assist each other in arranging for such interviews and will permit the taking of testimony or statements or the production of documents and other materials in accordance with the practice or procedure of the requesting state. 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 party.

8. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory issued by the judicial authorities of their respective countries 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 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 a requested state will be performed subject to all limitations imposed by its domestic law. Execution of a request for assistance may be postponed or denied 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 these procedures.

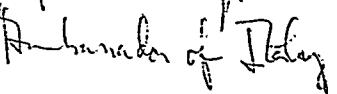
12. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities and is not intended or designed to benefit third parties or to affect the admissibility of evidence under the laws of either the United States or Italy.

13. These procedures shall enter into force upon notification by the Ministero di Grazia e Giustizia that all requirements under Italian law to implement its provisions have been accomplished. [¹]

Done at Washington, D.C., this 29th day of March, 1976.

For the Ministero di Grazia e Giustizia:


[²]


Ambassador of Italy

For the United States
Department of Justice:


[³]



¹ Apr. 12, 1976.

² Roberto Gaja
Ambassador of Italy

³ Richard Thornburgh

UNION OF SOVIET SOCIALIST REPUBLICS
Establishment of Temporary Purchasing Commission

*Agreement amending and extending the agreement of
October 18, 1972, as amended and extended.*

Effectuated by exchange of letters

Signed at Moscow and Washington June 7 and

September 13, 1976;

Entered into force September 13, 1976.

The Soviet Minister of Foreign Trade to the Secretary of the Treasury

Москва, "7" июня 1976 года

Уважаемый господин Министр,

В соответствии с договоренностью, зафиксированной в письмах, которыми обе Стороны обменялись в Вашингтоне 18 октября 1972 года, была учреждена Временная Закупочная Комиссия для Камского комплекса по производству грузовых автомобилей, срок деятельности которой истекает 18 октября сего года.

В настоящее время указанная Комиссия по взаимной договоренности, достигнутой между Сторонами, занимается в основном вопросами содействия в размещении и осуществлением контроля за исполнением заказов для химического производственного комплекса, Центра международной торговли в Москве и Чебоксарского завода промышленных тракторов.

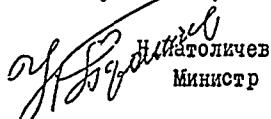
В дополнение к этому Советская сторона предлагает, чтобы указанная Комиссия занималась вопросами, связанными с выполнением Генерального соглашения о сотрудничестве в проведении геологоразведочных работ на Якутских газовых месторождениях, заключенного 11 декабря 1974 года в г. Париже между Министерством внешней торговли СССР, американскими компаниями "Америкэн Сайбириэн Нэчурэл Гэс Компани", "Оксидентал ИИГ Корпорейшн" и японской компанией "Сайбириэн Нэчурэл Гэс Ко, ЛТД".

Господину Уильяму Е.Саймону
Министру финансов
Соединенных Штатов Америки
г. Вашингтон

Принимая во внимание большой объем работы этой Комиссии как по заключенным, но еще не полностью выполненным контрактам, так и по предстоящим контрактам, Советская сторона вносит предложение продлить срок деятельности Комиссии на три очередных года.

Я был бы признателен, если Вы подтвердите Ваше согласие с вышеизложенным.

С уважением,


Анатолевич
Министр

TRANSLATION

Moscow, June 7, 1976

Dear Mr. Minister,

In keeping with the understanding set forth in the letters the two Parties exchanged in Washington on October 18, 1972 [¹] the Temporary Purchasing Commission for the Kama truck production complex was established, the term of which expires this October 18.

At present the said Commission, by mutual agreement between the Parties, is primarily engaged in facilitating the work of placing and supervising the filling of orders for the chemical industrial complex, Center for International Trade in Moscow, and the Cheboksary industrial tractor plant.

In addition, the Soviet side proposes that the said Commission should concern itself with matters connected with the implementation of the General Agreement for cooperation in exploratory work at the Yakutsk gas fields, concluded in Paris on December 11, 1974 between the Ministry of Foreign Trade of the U.S.S.R., the U.S. companies, American Siberian Natural Gas Company and Occidental LNG Corporation, and the Japanese company, Siberian Natural Gas Co., Ltd.

¹ TIAS 7772, 8356, 25 UST 6, 14, *ante*, p. 2982.

In view of the large scope of work by the said Commission, both on signed but not yet fully implemented and pending contracts, the Soviet side proposes that the term of the Commission be extended for another three years.

I would appreciate it if you would confirm your agreement with the above.

Sincerely,

N. Patolichev

N. Patolichev
Minister

Mr. William E. Simon
Secretary of the Treasury
United States of America
Washington, D.C.

The Secretary of the Treasury to the Soviet Minister of Foreign TradeTHE SECRETARY OF THE TREASURY
WASHINGTON 20220

SEP 13 1976

Dear Mr. Minister:

I have the honor to refer to your letter of June 7, 1976, regarding the Temporary Purchasing Commission for the Kama River Truck Complex, the term of which expires on October 18. Your letter proposes an extension of the period of activity of the Commission for three additional years until October 18, 1979. It also proposes the broadening of the Commission's activities to include procurement for the exploratory work at the Yakutsk gas fields.

I am pleased to inform you that the U.S. Government agrees to extend the Commission for one year, until October 18, 1977, under the terms set forth in the attachment to Secretary Petersen's letter to you of October 18, 1972, and subsequent understandings between our two governments concerning the Commission. We also agree with your proposal to broaden the Commission's activities to include procurement for exploratory work at the Yakutsk gas fields.

I am confident that this extension and expansion of the Commission's operating authority will provide mutual economic benefits.

With best regards,

Sincerely yours,


William E. Simon

His Excellency
Nikolay S. Patolichev
Minister of Foreign Trade of the
Union of Soviet Socialist Republics
Moscow, U.S.S.R.

TIAS 8375

UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND

**Availability of Certain Indian Ocean Islands
for Defense Purposes**

Agreement amending the agreement of December 30, 1966.

Effectuated by exchange of notes

Signed at London June 22 and 25, 1976;

Entered into force June 25, 1976;

Effective June 28, 1976.

*The British Secretary of State for Foreign and Commonwealth Affairs
to the American Ambassador*

FOREIGN AND COMMONWEALTH OFFICE
LONDON SW1A 1AH

No HKT 040/1

22 JUNE 1976

Her Excellency
The Honourable ANNE ARMSTRONG

YOUR EXCELLENCY

I have the honour to refer to recent discussions between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America concerning the Agreement constituted by the Exchange of Notes dated 30 December 1966 [1] concerning the availability of the British Indian Ocean Territory islands for defence purposes (hereinafter referred to as "the Agreement") and to propose that the Agreement be amended by deleting the following words in the opening paragraph.—

" , and the islands of Aldabra, Farquhar and Desroches"

If the foregoing proposal is acceptable to the Government of the United States of America, I have the honour to propose that this Note and Your Excellency's reply to that effect shall constitute an

¹ TIAS 6196; 18 UST 28.

Agreement between the two Governments to amend the Agreement of 30 December 1966 with effect from 28 June 1976.

I have the honour to be,
with the highest consideration,
Your Excellency's obedient Servant,
(for the Secretary of State)

EN Larmour

(E N Larmour)

*The American Ambassador to the British Secretary of State for Foreign
and Commonwealth Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA
LONDON

JUNE 25, 1976

DEAR SECRETARY.

I have the honor to acknowledge receipt of your Note no. HKT 040/1 of June 22 which reads as follows:

"I have the honour to refer to recent discussions between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America concerning the Agreement constituted by the Exchange of Notes dated 30 December 1966 concerning the availability of the British Indian Ocean Territory islands for defence purposes (hereinafter referred to as 'the Agreement') and to propose that the Agreement be amended by deleting the following words in the opening paragraph.

' , and the islands of Aldabra,
Farquhar and Desroches'

If the foregoing proposal is acceptable to the Government of the United States of America, I have the honour to propose that this Note and Your Excellency's reply to that effect shall constitute an Agreement between the two Governments to amend the Agreement of 30 December 1966 with effect from 28 June 1976."

In reply I have the honor to inform you that the foregoing proposal is acceptable to the Government of the United States of America which therefore approves Your Excellency's suggestion that your Note and this reply shall constitute an Agreement between the two

governments to amend the Agreement of 30 December 1966 with effect from 28 June 1976.

Accept, Sir, the assurances of my highest consideration.

ANNE ARMSTRONG

Rt. Hon. ANTHONY CROSLAND, MP
*Secretary of State for Foreign and
Commonwealth Affairs
Downing Street
SW1*

*The American Ambassador to the British Secretary of State for Foreign
and Commonwealth Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA
LONDON

JUNE 25, 1976

DEAR SECRETARY:

I have the honor to refer to the Agreement between the United Kingdom and Seychelles as of 29 June 1976 (Independence Day) which, inter alia, makes provision for rights of access, entry, use and establishment on the part of states (referred to as "current users") which immediately before independence of Seychelles enjoyed rights of access, entry, use or establishment with respect to Seychelles.

I am instructed by the Government of the United States, as one such current user, to convey the acknowledgment of my Government of the terms of the aforesaid Agreement, which make provision for or continue rights of the United States.

Accept, Sir, the assurances of my highest consideration.

ANNE ARMSTRONG

Rt. Hon. ANTHONY CROSLAND, MP
*Secretary of State for Foreign
and Commonwealth Affairs
Downing Street
SW1*

ZAMBIA
Agricultural Commodities

*Agreement signed at Lusaka August 24, 1976;
Entered into force August 24, 1976.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE REPUBLIC OF ZAMBIA
FOR THE SALE OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Zambia,

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country) and the Government of the Republic of Zambia (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance, including efforts to meet their problems of food production and population growth;

Recognizing the policy of exporting country to use its agricultural productivity to combat hunger and malnutrition in developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage, and distribution of agricultural food products, including the reduction of waste in all stages of food handling.

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I^[1] of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act), and the measures that the two Governments will take individually and collectively in furthering the above-mentioned policies

Have agreed as follows.

¹80 Stat. 1526, 7 U.S.C. 1701 et seq.

PART I - GENERAL PROVISION

ARTICLE I

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this agreement.

B. The financing of the agricultural commodities listed in Part II of this agreement will be subject to:

1. The issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and
2. The availability of the specified commodities at the time of exportation

C. Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary agreement, within 90 days after the effective date of such supplementary agreement.

Purchase authorizations shall include provisions relating to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this agreement shall be made within the supply periods specified in the commodity table in Part II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Part II. The Government of the exporting country may limit the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require, so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Part II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting country requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the commodities be transported in United States flag vessels. The Government of the importing country shall have no obligation to reimburse the Government of the exporting country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

ARTICLE II

A. Initial Payment

The Government of the importing country shall pay, or cause to be paid, such Initial Payment as may be specified in Part II of this agreement. The amount of this payment shall be that portion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for Initial Payment in Part II and payment shall be made in United States dollars in accordance with the applicable purchase authorizations.

B. Currency Use Payment

The Government of the importing country shall pay, or cause to be paid, upon demand by the Government of the exporting country in amounts as it may determine, but in any event no later than one year after the final disbursement by the Commodity Credit Corporation under this agreement, or the end of the supply period, whichever is later, such payment as may be specified in Part II of this agreement pursuant to Section 103 (b) of the Act (hereinafter referred to as the Currency Use Payment). The Currency Use Payment shall be that portion of the amount financed by the exporting country equal to the percentage specified for Currency Use Payment in Part II. Payment shall be made in accordance with Paragraph H and for purposes specified in Subsection 104 (a), (b), (e) and (h) of the Act, as set forth in Part II of this agreement. Such payment shall be credited against (a) the amount of each year's interest payment due during the period prior to the due date of the first installment payment, starting with the first year, plus (b) the combined payments of principal and interest starting with the first installment payment, until the value of the Currency Use Payment has been offset. Unless otherwise specified in Part II, no request for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation of the exporting country under this agreement.

C. Type of Financing

Sales of commodities specified in Part II shall be financed in accordance with the type of financing indicated therein. Special provisions relating to the sale are also set forth in Part II.

D. Credit Provisions

1. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of the dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the Initial Payment payable to the Government of the exporting country

The principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

2. Interest on the unpaid balance of the principal due the Government of the exporting country for the commodities delivered in each calendar year shall be paid as follows

- a. In the case of Dollar Credit, interest shall begin to accrue on the date of last delivery of these commodities in each calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary date of such date of last delivery and thereafter payment of interest shall be made annually and not later than the due date of each installment payment of principal.
- b. In the case of Convertible Local Currency Credit interest shall begin to accrue on the date of dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in each calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment payment shall be due on the same date as the first installment and thereafter such interest shall be paid on the due dates of the subsequent installment payments.

3 For the period of time from the date the interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

D. Deposit of Payments

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates provided for in this agreement as follows:

1. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two Governments.

2. Payments in the local currency of the importing country (hereinafter referred to as local currency), shall be deposited to the account of the Government of the United States of America in interest bearing accounts in banks selected by the Government of the United States of America in the importing country

F Sales Proceeds

The total amount of the proceeds accruing to the importing country from the sale of commodities financed under this agreement, to be applied to the economic development purposes set forth in Part II of this agreement, shall be not less than the local currency equivalent of the dollar disbursement by the Government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential), provided, however, that the sales proceeds to be so applied shall be reduced by the Currency Use Payment, if any, made by the Government of the importing country. The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the Government of the importing country to private or non-governmental organizations shall be loaned at rates of interest approximately

equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall furnish, in accordance with its fiscal year budget reporting procedure, at such times as may be requested by the Government of the exporting country but not less often than annually, a report of the receipts and expenditure of the proceeds, certified by the appropriate audit authority of the Government of the importing country, and in case of expenditures the budget sector in which they were used.

G. Computation

The computation of the Initial Payment, Currency Use Payment and all payments of principal and interest under this agreement shall be made in United States Dollars.

H. Payments

All payments shall be in United States dollars or, if the Government of the exporting country so elects.

1. The payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the Government of the exporting country for payment of its obligations, or in the case of Currency Use Payments used for the purposes set forth in Part II of this agreement, or
2. The payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations or, in the case of Currency Use Payments, used for the purposes set forth in Part II of this agreement in the importing country

ARTICLE III

A. World Trade

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this agreement as friendly countries). In implementing this provision the Government of the importing country shall.

1. insure that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the Usual Marketing table set forth in Part II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this agreement.

2. take steps to assure that the exporting country obtains a fair share of any increase in commercial purchases of agricultural commodities by the importing country.

3. take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, diversion in transit, transshipment or use is specifically approved by the Government of the United States of America); and

4. take all possible measures to prevent the export of any commodity of either domestic or foreign origin, which is defined in Part II of this agreement, during the export limitation period

specified in the Export Limitation table in Part II (except as may be specified in Part II or where such export is otherwise specifically approved by the Government of the United States of America)

B. Private Trade

In carrying out the provisions of this agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively

C. Self-Help

Part II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. Reporting

In addition to any other reports agreed upon by the two Governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Part II, Item I of this agreement and any subsequent comparable period during which commodities purchased under this agreement are being imported or utilized.

1. the following information in connection with each shipment of commodities under this agreement; the name of each vessel; the date of arrival, the port of arrival, the commodity and quantity received; and the condition in which received.

2. a statement by it showing the progress made toward fulfilling the usual marketing requirements.

3. a statement of the measures it has taken to implement the provisions of Sections A2 and 3 of this Article; and

4. statistical data on imports by country of origin and exports by country of destination, of commodities which are the same as or like those imported under the agreement.

E. Procedures for Reconciliation and Adjustment of Accounts

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records on the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. Definitions

For the purposes of this agreement.

1. delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier.

2. import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country, and;

3. utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country

G. Applicable Exchange Rate

For the purposes of this agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate in effect on the date of payment by the importing country which is not less favorable to the Government of the exporting country than the highest exchange rate legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest exchange rate obtainable by any other nation. With respect to local currency.

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency.

2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first sentence of this Section G.

H. Consultation

The two Governments shall, upon request of either of them, consult regarding any matter arising under this agreement, including the operation of arrangements carried out pursuant to this agreement.

I. Identification and Publicity

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity in the same manner as provided for in Subsection 103 (1) of the Act.

Part II

Item I. Commodity Table.

<u>Commodity</u>	<u>Supply Period</u> (U.S. Fiscal Year)	<u>Approximate Maximum Quantity</u> (Metric Tons)	<u>Maximum Export Market Value</u> (Millions)
Edible vegetable oil	1976 plus July 1 thru September 30	3,000	\$1.6
		TOTAL	\$1.6

Item II. Payment Terms.Convertible Local Currency Credit

1. Initial Payment - none
2. Currency Use Payment -none
3. Number of installment payments - 31
4. Amount of each installment payment - approximately equal annual installments.
5. Due date of first installment payment - ten 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

<u>Commodity</u>	<u>Import Period</u> (U.S. Fiscal Year)	<u>Usual Marketing Requirement</u> (Metric Tons)
Edible vegetable oil and/or bearing seed (oil equivalent basis)	1976 plus July 1 thru September 30	10,750

Item IV. Export Limitations

- A. The export limitation period shall be U.S. fiscal year 1976 plus July 1 through September 30, 1976, or any subsequent U.S. fiscal year during which commodities financed under this agreement are being imported or utilized.

Item IV B. For the purpose of Part I, Article III A (4) of the agreement, the commodities which may not be exported are: for vegetable oil -- all edible vegetable oils, including peanut oil, soybean oil, cottonseed oil, sunflower oil, sesame oil, rapeseed oil, and other edible oil bearing seeds from which these oils are produced except for peanuts and cottonseed.

Item V Self-Help Measures.

- A. In implementing the 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.
- B. The Government of Zambia agrees to:
 1. continue to take effective action to stabilize its economy and to guard against inflation.
 2. Request the assistance of appropriate international organizations to implement studies of its agricultural programs and policy, especially of the marketing system, in order to improve efficiency and to achieve optimum production levels.
 - 3 Accelerate applied research on food crops (principally rice and corn) to determine fertilizer requirements, to find higher yielding varieties and to disseminate such information for better crop and soil management practices.
 - 4 Improve linkages between the research program and the extension services operating in the Mt. Makulu area.
 - 5 Perfect programs to improve range management practices, including pastoral seeding, upgrading local breeds and assuring disease control.

Item VI. Economic development purposes for 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 the agreement and for the following economic development sectors: Agriculture.
- B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country

Part III - Final Provisions

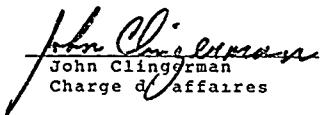
A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

This agreement shall enter into force upon signature

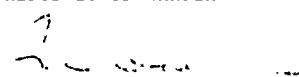
B. IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement.

DONE at LUSAKA, ZAMBIA, in duplicate, this Twenty fourth day of
AUGUST 1976

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA


John Clingerman
Charge d'Affaires

FOR THE GOVERNMENT OF THE
REPUBLIC OF ZAMBIA


Francis Walusiku
Permanent Secretary
Ministry of Finance

GUINEA
Agricultural Commodities

*Agreement signed at Conakry April 21, 1976;
Entered into force April 21, 1976.
With memorandum of understanding.*

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF GUINEA
FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Guinea,

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country) and the Republic of Guinea (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance, including efforts to meet their problems of food production and population growth;

Recognizing the policy of the exporting country to use its agricultural productivity to combat hunger and malnutrition in the developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage, and distribution of agricultural food products, including the reduction of waste in all stages of food handling;

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended [¹] (hereinafter referred to as the Act), and the measures that the two Governments will take individually and collectively in furthering the above-mentioned policies;

Have agreed as follows:

¹80 Stat. 1526, 7 U.S.C. 1701 *et seq.*

PART I - GENERAL PROVISIONSARTICLE I

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this agreement.

B. The financing of the agricultural commodities listed in Part II of this agreement will be subject to:

1. the issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and
2. the availability of the specified commodities at the time of exportation.

C. Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary agreement, within 90 days after the effective date of such supplementary agreement. Purchase authorizations shall include provisions relating to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this agreement shall be made within the supply periods specified in the commodity table in Part II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Part II. The Government of the exporting country may limit

the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require, so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Part II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting country requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the commodities be transported in United States flag vessels. The Government of the importing country shall have no obligation to reimburse the Government of the exporting country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

ARTICLE IIA. Initial Payment

The Government of the importing country shall pay, or cause to be paid, such initial payment as may be specified in Part II of this agreement. The amount of this payment shall be that portion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for initial payment in Part II and payment shall be made in United States dollars in accordance with the applicable purchase authorization.

B. Currency Use Payment

The Government of the importing country shall pay, or cause to be paid, upon demand by the Government of the exporting country in amounts as it may determine, but in any event no later than one year after the final disbursement by the Commodity Credit Corporation under this agreement, or the end of the supply period, whichever is later, such payment as may be specified in Part II of this agreement pursuant to Section 103(b) of the Act (hereinafter referred to as the Currency Use Payment). The Currency Use Payment shall be that portion of the amount financed by the exporting country equal to the percentage specified for Currency Use Payment in Part II. Payment shall be made in accordance with paragraph H and for purposes specified in Subsections 104(a), (b), (c), and (h) of the Act, as set forth in Part II of this agreement. Such payment shall be credited against (a) the amount of each year's interest payment due during the period prior to the due date of the first installment payment, starting with the first year, plus (b) the combined payments of principal and interest starting with the first installment payment, until the value of the Currency Use Payment has been offset. Unless otherwise specified in Part II, no requests for payment will be made by the Government of the

exporting country prior to the first disbursement by the Commodity Credit Corporation of the exporting country under this agreement.

C. Type of Financing

Sales of the commodities specified in Part II shall be financed in accordance with the type of financing indicated therein. Special provisions relating to the sale are also set forth in Part II.

D. Credit Provisions

1. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of the dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the Initial Payment payable to the Government of the exporting country

The principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

2. Interest on the unpaid balance of the principal due the Government of the exporting country for commodities delivered in each calendar year shall be paid as follows:

- a. In the case of Dollar Credit, interest shall begin to accrue on the date of last delivery of these commodities in each calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary

date of such date of last delivery and thereafter payment of interest shall be made annually and not later than the due date of each installment payment of principal.

- b. In the case of Convertible Local Currency Credit, interest shall begin to accrue on the date of dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in each calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment payment shall be due on the same date as the first installment and thereafter such interest shall be paid on the due dates of the subsequent installment payments.

3. For the period of time from the date the interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

E. Deposit of Payments

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates provided for in this agreement as follows:

1. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two Governments.

2. Payments in the local currency of the importing country (hereinafter referred to as local currency), shall be deposited to the account of the Government of the United States of America in interest bearing accounts in banks selected by the Government of the United States of America in the importing country

F Sales Proceeds

The total amount of the proceeds accruing to the importing country from the sale of commodities financed under this agreement, to be applied to the economic development purposes set forth in Part II of this agreement, shall be not less than the local currency equivalent of the dollar disbursement by the Government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential), provided, however, that the sales proceeds to be so applied shall be reduced by the Currency Use Payment, if any, made by the Government of the importing country. The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the Government of the importing country to private or non-governmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall furnish, in accordance with its fiscal year budget reporting procedure, at such times as may be requested by the Government of the exporting country but not less often than annually, a report of the receipt and expenditure of the proceeds, certified by the appropriate audit authority of the Government of the importing country, and in case of expenditures the budget sector in which they were used.

G. Computations

The computation of the Initial Payment, Currency Use Payment and all payments of principal and interest under this agreement shall be made in United States dollars.

H. Payments

All payments shall be in United States dollars or, if the Government of the exporting country so elects,

1. The payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the Government of the exporting country for payment of its obligations or, in the case of Currency Use Payments, used for the purposes set forth in Part II of this agreement; or
2. The payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations or, in the case of Currency Use Payments, used for the purposes set forth in Part II of this agreement in the importing country.

ARTICLE III

A. World Trade

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this agreement as friendly countries). In

implementing this provision the Government of the importing country shall:

1. insure that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the usual marketing table set forth in Part II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this agreement.

2. take steps to assure that the exporting country obtains a fair share of any increase in commercial purchases of agricultural commodities by the importing country

3. take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, diversion in transit, transshipment or use is specifically approved by the Government of the United States of America), and

4. take all possible measures to prevent the export of any commodity of either domestic or foreign origin, which is defined in Part II of this agreement, during the export limitation period specified in the export limitation table in Part II (except as may be specified in Part II or where such export is otherwise specifically approved by the Government of the United States of America)

B. Private Trade

In carrying out the provisions of this agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively

C. Self-Help

Part II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. Reporting

In addition to any other reports agreed upon by the two Governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Part II, Item I of this agreement and any subsequent comparable period during which commodities purchased under this agreement are being imported or utilized:

1. the following information in connection with each shipment of commodities under the agreement: the name of each vessel; the date of arrival, the port of arrival; the commodity and quantity received; and the condition in which received;
2. a statement by it showing the progress made toward fulfilling the usual marketing requirements;
3. a statement of the measures it has taken to implement the provisions of Sections A 2 and 3 of this Article; and
4. statistical data on imports by country of origin and exports by country of destination, of commodities which are the same as or like those imported under the agreement.

E. Procedures for Reconciliation and Adjustment of Accounts

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records on the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of

the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. Definitions

For the purposes of this agreement:

1. delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier,

2. import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country, and

3. utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country

G. Applicable Exchange Rate

For the purposes of this agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate in effect on the date of payment by the importing country which is not less favorable to the Government of the exporting country than the highest exchange rate legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest exchange rate obtainable by any other nation. With respect to local currency.

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency

2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first sentence of this Section G.

H. Consultation

The two Governments shall, upon request of either of them, consult regarding any matter arising under this agreement, including the operation of arrangements carried out pursuant to this agreement.

I. Identification and Publicity

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity in the same manner as provided for in Subsection 103(1) of the Act.

TIAS 8378

PART II - PARTICULAR PROVISIONSItem I. Commodity Table:

<u>Commodity</u>	<u>Supply Period</u> (U.S. Fiscal Year)	<u>Approximate Maximum Quantity</u> (Metric Tons)	<u>Maximum Export Market Value</u> (Millions)
Wheat Flour	1976	7,500	\$1.66
Rice	1976	10,000	\$2.80
Soybean Oil	1976	2,000	\$1.05
		Total	\$5.51

Item II. Payment Terms:Convertible Local Currency Credit

1. Initial Payment - 5 percent
2. Currency Use Payment - None
3. Number of Installment Payments - 25 equal annual amounts.
4. Amount of Each Installment Payment - Approximately equal annual amounts.
5. Due Date of First Installment Payment - 6 years after 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 Requirements:

<u>Commodity</u>	<u>Import Period</u> (U.S. Fiscal Year)	<u>Usual Marketing Requirements</u> (Metric Tons)
Wheat Flour	1976	4,700
Rice	1976	5,000
Edible Vegetable Oil/Oilseeds (in oil equivalent)	1976	1,900

IV. Export Limitations

- A. The export limitation period shall be United States Fiscal Year 1976 or any subsequent United States Fiscal Year during which commodities financed under this agreement are being imported or utilized.
- B. For the purpose of Part I, Article III A4 of the agreement, the commodities which may not be exported are: for wheat flour--wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same product under a different name), for rice--rice in the form of paddy, brown or milled; and for soybean oil--all edible vegetable oils including peanut oil, soybean oil, cottonseed oil, rapeseed oil, sunflower oil, and sesame oil, and all oilseeds and beans from which these oils are produced.

V. Self-Help Measures

- A. The Government of Guinea agrees to:
 1. Request the assistance of appropriate international organizations to design programs and policies to stabilize the economy and provide production incentives to farmers.
 2. Increase efforts to stabilize price fluctuations and reduce losses to farmers through improved marketing priorities and storage facilities.
 3. Accelerate applied research on food crops and assure that information on improved varieties, fertilizer requirements and cropping practices are disseminated to the producers.
 4. Strengthen the training of mid-level officials in vocational education and agricultural technology to emphasize the development potential of rural areas.

B. 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.

VI Economic Development Purposes for 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 the Item V and for the sectors described in the Government of Guinea's Development Plan for the National Economy..
- B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country

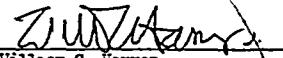
PART III - FINAL PROVISIONS

A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

B. This agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.
DONE at Conakry, in duplicate, this 21st day of April 1976.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA


William C. Harrop
Ambassador of the United States
of America



FOR THE GOVERNMENT OF THE
REPUBLIC OF GUINEA


Moussa Dikita
President, State Committee
for Cooperation with the
Americas and International
Organizations



ACCORD CONCLU ENTRE LE GOUVERNEMENT DES ETATS-UNIS
D'AMÉRIQUE ET LE GOUVERNEMENT DE LA REPUBLIQUE DE
GUINÉE EN VUE DE LA VENTE DE PRODUITS AGRICOLES

Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement
de la République de Guinée,

Reconnaissant qu'il est souhaitable de développer le commerce des produits agricoles entre les Etats-Unis d'Amérique (ci-après dénommés "le pays exportateur") et la République de Guinée (ci-après dénommée "le pays importateur") et d'autres nations amies, d'une manière telle que ce développement ne risque pas de porter préjudice aux marchés habituels du pays exportateur pour ces produits ou d'affecter indûment les prix mondiaux de ces produits agricoles ou d'entraver les pratiques commerciales d'usage établies avec les pays amis;

Tenant compte de l'importance que revêt pour les pays en voie de développement le fait de s'efforcer de s'aider eux-mêmes en vue de parvenir à un plus haut degré d'indépendance, particulièrement en s'efforçant de faire face eux-mêmes aux problèmes que posent la production alimentaire et l'accroissement démographique;

Reconnaissant la politique du pays exportateur qui consiste à mettre sa productivité agricole au service de la lutte contre la faim et la sous-alimentation dans les pays en voie de développement, à encourager ces pays à relever leur propre production agricole et à les aider dans leur développement économique;

Reconnaissant la volonté du pays importateur d'améliorer sa propre production, ses installations d'entreposage et la distribution de ses denrées alimentaires agricoles, y compris la réduction des pertes à tous les stades manutention des denrées;

Désirant préciser les conventions qui régiront les ventes de produits agricoles au pays importateur en vertu du titre I de la Loi sur le développement des échanges commerciaux et de l'aide en produits agricoles, telle que modifiée (ci-après dénommée "la Loi"), et les dispositions que les deux Gouvernements prendront individuellement et collectivement en vue de favoriser l'application des politiques mentionnées ci-dessus;

Sont convenus de ce qui suit:

1ère PARTIE - DISPOSITIONS GENERALES

ARTICLE PREMIER

A - Le Gouvernement du pays exportateur s'engage à financer la vente de produits agricoles à des acheteurs autorisés par le Gouvernement du pays importateur conformément aux termes et conditions énoncés dans le présent accord.

B - Le financement de la vente des produits agricoles énumérés dans la II^e Partie du présent accord sera subordonné à:

1. La délivrance par le Gouvernement du pays exportateur d'autorisations d'achat et à l'acceptation de ces autorisations par le Gouvernement du pays importateur;
2. La disponibilité des produits visés, à la date prévue pour leur exportation.

C - Les demandes d'autorisations d'achat devront être faites dans un délai de 90 jours à compter de la date d'entrée en vigueur du présent accord et, en ce qui concerne tous autres produits ou toutes quantités supplémentaires prévus par tout accord supplémentaire, dans un délai de 90 jours à compter de la date d'entrée en vigueur dudit accord supplémentaire. Les autorisations d'achat comporteront des dispositions relatives à la vente et à la livraison des produits visés et toutes autres dispositions pertinentes.

D - Sous réserve d'autorisations contraires du Gouvernement du pays exportateur, les livraisons des produits vendus aux termes du présent accord seront effectuées au cours des périodes d'offre fixées au tableau des produits figurant dans la II^e Partie du présent accord.

E - La valeur de la quantité totale de chaque produit faisant l'objet des autorisations d'achat en vue d'un mode particulier de financement, autorisé aux termes du présent accord, ne devra pas dépasser la valeur marchande maximum d'exportation stipulée quant à ce produit et à ce mode de financement dans la II^e Partie du présent accord. Le Gouvernement du pays exportateur pourra fixer la limite de la valeur totale de chaque produit couvert par des autorisations d'achat et devant faire l'objet d'un mode particulier de financement suivant que baisse le prix de ce produit ou que d'autres facteurs de marché le nécessitent, de sorte que les quantités d'un tel produit, vendues conformément à un mode stipulé de financement ne dépassent pas sensiblement la quantité maximum approximative applicable stipulée dans la II^e Partie du présent accord.

F - Le Gouvernement du pays exportateur prendra à sa charge le fret différentiel afférent aux produits dont le transport à bord de navires battant pavillon des Etats-Unis sera exigé par le Gouvernement du pays exportateur (soit environ 50 pour cent du tonnage des produits vendus aux termes du présent accord). Le fret différentiel sera réputé être égal à la différence, telle qu'elle aura été déterminée par le Gouvernement du pays exportateur, entre les frais de transport maritime encourus (plus élevés qu'ils ne l'auraient été autrement) et ceux résultant de l'obligation d'utiliser des navires battant pavillon des Etats-Unis pour le transport des produits en question. Le Gouvernement du pays importateur ne sera pas dans l'obligation de rembourser au Gouvernement du pays exportateur le fret différentiel financé par le Gouvernement du pays exportateur.

G - Dès que possible après que l'espace nécessaire à bord de navires battant pavillon des Etats-Unis aura été réservé par voie de contrat en vue de l'expédition des produits dont le transport à bord de navires battant pavillon des Etats-Unis est obligatoire, et au plus tard à la date à laquelle les navires arriveront au port de chargement, le Gouvernement du pays importateur ou les acheteurs autorisés par lui ouvriront une lettre de crédit, en dollars des Etats-Unis, d'un montant égal au coût estimatif du transport maritime desdits produits.

H - L'un ou l'autre Gouvernement pourra mettre fin au financement, à la vente et à la livraison des produits en vertu du présent accord, s'il juge qu'en raison de changement de conditions, il est inutile ou inopportun de continuer de financer, de vendre ou de livrer lesdits produits.

ARTICLE II

A. Paiement initial

Le Gouvernement du pays importateur effectuera ou fera en sorte que soit effectué tout paiement initial stipulé dans la II^e Partie du présent accord. Le montant de ce paiement représentera la proportion du prix d'achat (exclusion faite de tous frais de transport maritime qui pourraient y figurer) égale au pourcentage stipulé à titre de paiement initial dans la II^e Partie et ledit paiement sera effectué en dollars des Etats-Unis, conformément aux dispositions de l'autorisation d'achat applicable.

B. Paiement utilisant la monnaie locale

Le Gouvernement du pays importateur effectuera ou fera en sorte que soit effectué, à la demande du Gouvernement du pays exportateur et à raison de montants stipulés par lui, mais en aucun cas dans un délai de plus d'un an après le dernier décaissement fait par la Commodity Credit Corporation au titre du présent accord, ou au terme du délai d'approvisionnement, au dernier échu de ces termes, tout paiement qui pourrait être stipulé dans la II^e Partie du présent accord en vertu de la Section 103(b) de ladite Loi (clause ci-après dite du "Paiement utilisant la monnaie locale"). Le paiement utilisant la monnaie locale représentera la partie du montant financé par le pays exportateur et égale au pourcentage spécifié relativement au paiement utilisant la monnaie locale dans la II^e Partie. Le paiement devra être effectué conformément au paragraphe H et dans les buts spécifiés à la Sous-section 104(a), (b), (e) et (h) de la Loi, dont l'énoncé figure dans la II^e Partie du présent accord. Ledit paiement devra être imputé a) au montant du paiement de chaque année en règlement des intérêts, dû durant la période précédant la date d'échéance du paiement de la première tranche, à compter de la première année, et b) au total du paiement en remboursement du principal et du paiement des intérêts, à compter du paiement de la première tranche, jusqu'à compensation de la valeur du paiement utilisant la monnaie locale. Sauf stipulation contraire dans la II^e Partie,

aucune demande de paiement ne sera faite par le Gouvernement du pays exportateur antérieurement au premier décaissement effectué par la Commodity Credit Corporation du pays exportateur, suivant le présent accord.

C. Mode de financement

La vente des produits visés dans la II^e Partie sera financée selon le mode de financement indiqué dans ladite Partie. En outre, des dispositions spéciales relatives à ladite vente sont également énoncées dans la II^e Partie.

D. Dispositions relatives au crédit

1. En ce qui concerne les produits livrés au cours de chaque année civile aux termes du présent accord, le principal du crédit (ci-après dénommé "le principal") comprendra le montant en dollars décaissé par le Gouvernement du pays exportateur pour les produits (frais de transport maritime non compris) moins toute fraction du paiement initial payable au Gouvernement du pays exportateur.

Le principal sera payé conformément au calendrier des paiements figurant dans la II^e Partie du présent accord. Le premier versement sera dû et payable à la date fixée dans la II^e Partie du présent accord. Les versements suivants seront dus et payables à intervalles d'un an à compter de la date d'échéance du premier versement. Tout paiement impayable au principal pourra être effectué avant la date de son échéance.

2. Les intérêts portant sur le montant non payé du principal dû au Gouvernement du pays exportateur comme suite à la livraison de produits au cours de chaque année civile seront payés de la façon suivante:

- a) Dans le cas du crédit en dollars, les intérêts commenceront à courir à compter de la date de la dernière livraison de produits au cours de chaque année civile. Les intérêts seront payés au plus tard à la date à laquelle est due chaque tranche de remboursement du principal, excepté que si l'échéance de la première tranche tombe plus d'un an après ladite date de dernière livraison, le premier paiement d'intérêts sera effectué, au plus tard, à une date correspondant exactement, au mois et au jour, à ladite date de dernière livraison et, par la suite, les intérêts seront payés annuellement et, au plus tard, à la date d'échéance de chaque tranche de remboursement du principal.
- b) Dans le cas du crédit en monnaie locale convertible, les intérêts commenceront à courir à compter de la date du décaissement en dollars du Gouvernement du pays exportateur. Lesdits

intérêts seront payés annuellement dans un délai d'un an à compter de la date de la dernière livraison de produits au cours de chaque année civile, excepté que si la date d'échéance des tranches de paiement attribuables à ces produits ne tombe pas à une date correspondant exactement, au mois et au jour, à ladite date de dernière livraison, tous intérêts ainsi courus à la date d'échéance de la première tranche de remboursement seront dus à la même date que la première tranche de paiement et, par la suite, lesdits intérêts seront payés aux dates d'échéance des tranches de paiement suivantes.

3. En ce qui concerne la période allant de la date à laquelle les intérêts commenceront à courir jusqu'à la date d'échéance de la première tranche de paiement, les intérêts courus seront calculés au taux initial d'intérêt fixé dans la II^e Partie du présent accord. Par la suite, les intérêts courus seront calculés au taux d'intérêt définitif fixé dans la II^e Partie du présent accord.

E. Dépôts des versements

Le Gouvernement du pays importateur effectuera ou fera en sorte que soient effectués des versements au Gouvernement du pays exportateur d'un montant, en monnaie et aux taux de change stipulés dans le présent accord, de la façon suivante:

1. Les versements en dollars seront remis au Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, à moins qu'il ne soit convenu entre les deux Gouvernements d'une autre méthode de paiement;

2. Les versements en monnaie locale du pays importateur (ci-après dénommés "monnaie locale") seront déposés au compte du Gouvernement des Etats-Unis d'Amérique dans des comptes portant intérêt dans des banques désignées par le Gouvernement des Etats-Unis d'Amérique dans le pays importateur.

F. Recettes des ventes

Le montant total des fonds acquis au pays importateur par suite de la vente de produits financés aux termes du présent accord, et devant être affecté aux fins de développement économique énoncées dans la II^e Partie du présent accord, ne devra pas être inférieur à la somme en monnaie locale équivalente du décaissement en dollars effectué par le Gouvernement du pays exportateur dans le cadre du financement des produits (en dehors du fret différentiel), étant entendu, cependant, que des recettes ainsi affectées sera déduit tout paiement utilisant la monnaie locale effectué par le Gouvernement du pays importateur. Le taux

de change devant servir de base au calcul de cette équivalence en monnaie locale sera le taux auquel l'autorité monétaire centrale du pays importateur, ou son représentant autorisé, vend des devises étrangères en échange de monnaie locale à l'occasion de l'importation commerciale de produits identiques. Tous fonds ainsi acquis et prêtés par le Gouvernement du pays importateur à des organisations privées ou non gouvernementales le seront à un taux d'intérêt approximativement équivalent aux taux appliqués à des prêts semblables dans le pays importateur. Le Gouvernement du pays importateur devra fournir, suivant sa méthode d'établissement de rapports budgétaires portant sur l'exercice financier, à tous moments où le demanderait le Gouvernement du pays exportateur, mais à des intervalles de temps maximums d'un an, un bilan des recettes et des dépenses auxquelles ces recettes sont affectées, accompagné de la certification des services compétents du Gouvernement du pays importateur chargés de la vérification des comptes et, dans le cas des dépenses, de l'indication du secteur budgétaire auxquelles lesdites dépenses se rapportent.

G. Calculs

Le calcul du paiement initial, du paiement utilisant la monnaie locale et de tous les remboursements du principal et paiements des intérêts prévus par le présent accord sera effectué en dollars des Etats-Unis.

H. Paiements

Tous les paiements seront effectués en dollars des Etats-Unis ou, si le Gouvernement du pays exportateur en décide ainsi,

1. Lesdits paiements seront effectués en monnaies facilement convertibles de tiers pays, à un taux de change dont il sera mutuellement convenu, et seront utilisés par le Gouvernement du pays exportateur pour permettre à celui-ci d'acquitter ses obligations ou, dans le cas des paiements utilisant la monnaie locale, pour répondre aux buts énoncés dans la II^e Partie du présent accord;

2. Lesdits paiements seront effectués en monnaie locale au taux de change applicable stipulé à l'article III G de la I^e Partie du présent accord, en vigueur à la date à laquelle les paiements seront effectués, et seront, au gré du Gouvernement du pays exportateur, convertis en dollars des Etats-Unis au même taux, ou utilisés par le Gouvernement du pays exportateur pour acquitter ses obligations ou, dans le cas des paiements utilisant la monnaie locale, pour répondre aux buts, dans le pays importateur, énoncés dans la II^e Partie du présent accord.

ARTICLE III

A. Commerce mondial

Les deux Gouvernements prendront le maximum de précautions pour s'assurer que les ventes de produits agricoles effectuées conformément aux dispositions du présent accord ne portent pas préjudice aux marchés habituels du pays exportateur pour ces produits ou n'affectent pas indûment les prix mondiaux de ces produits agricoles ou n'entravent pas les pratiques commerciales d'usage établies avec les pays que le Gouvernement du pays exportateur considère comme étant des pays amis (dénommés "pays amis" dans le présent accord). Aux fins d'application de la présente clause, le Gouvernement du pays importateur devra:

1. s'assurer que le total de ses importations en provenance du pays exportateur et d'autres pays amis, payé au moyen de ressources du pays importateur, sera au moins égal à la quantité des produits agricoles qui pourraient être spécifiés dans le tableau des marchés habituels figurant dans la II^e Partie du présent accord durant chaque période d'importation indiquée dans ledit tableau et durant chaque période comparable suivante au cours de laquelle des produits dont l'achat sera financé aux termes du présent accord auront été livrés. Les importations de produits destinés à satisfaire à ces obligations concernant les marchés habituels au cours de chaque période d'importation devront être effectuées en plus des achats financés aux termes du présent accord;
2. prendre toutes dispositions pour assurer au pays exportateur une part équitable de tous achats commerciaux supplémentaires de produits agricoles par le pays importateur;
3. prendre toutes dispositions possibles pour empêcher la revente, le détournement en transit ou le transbordement à destination d'autres pays des produits agricoles achetés en vertu des dispositions du présent accord, ou l'utilisation de ces produits à des fins autres que celles devant satisfaire aux besoins du pays (sauf dans les cas où leur revente, leur détournement en transit, leur transbordement ou leur utilisation à d'autres fins que celles prevues seraient expressément approuvés par le Gouvernement des Etats-Unis d'Amérique);
4. prendre toutes dispositions possibles pour empêcher l'exportation de tous produits d'origine nationale ou étrangère, dont définition est donnée dans la II^e Partie du présent accord, durant la période de limitation des exportations spécifiée dans le tableau des limitations des exportations figurant dans la II^e Partie du présent accord (sauf stipulations particulière de la II^e Partie du présent accord ou dans le cas où de telles exportations seraient expressément approuvées par le Gouvernement des Etats-Unis d'Amérique).

B. Commerce privé

Aux fins d'application du présent accord, les deux Gouvernements s'efforceront d'assurer les conditions commerciales qui permettront aux négociants privés d'exercer leur commerce sans entrave.

C. Auto-assistance

La 11^e Partie du présent accord décrira le programme que le Gouvernement du pays importateur a entrepris en vue d'améliorer sa production, ses installations d'entreposage et la commercialisation des produits agricoles. Le Gouvernement du pays importateur devra, dans les formes et aux dates auxquelles le Gouvernement du pays exportateur pourrait en faire la demande, fournir un rapport sur les progrès réalisés par le Gouvernement du pays importateur quant à l'application des mesures d'auto-assistance de cette nature.

D. Informations

En plus de tous autres rapports dont les deux Gouvernements sont convenus, le Gouvernement du pays importateur devra, au moins tous les trimestres au cours de la période d'approvisionnement spécifiée à la 11^e Partie, Point I, du présent accord et lors de toute période ultérieure comparable durant laquelle des produits achetés aux termes du présent accord sont importés ou utilisés, communiquer ce qui suit:

1. Les renseignements ci-après concernant chaque expédition de produits relevant du présent accord: le nom de chaque navire, la date d'arrivée, le port d'arrivée, le produit et la quantité livrées, l'état dans lequel la cargaison a été livrée;
2. Un rapport indiquant les progrès réalisés en vue de satisfaire aux obligations relatives aux marchés habituels;
3. Un rapport exposant les mesures prises aux fins d'application des dispositions des sections A. 2) et 3) du présent article;
4. Des informations statistiques sur les importations par pays d'origine et sur les exportations par pays destinataire, quant aux produits identiques ou similaires à ceux qui sont importés aux termes du présent accord.

E. Méthode de rapprochement et d'ajustement des comptes

Les deux Gouvernements devront chacun adopter toute méthode propre à faciliter le rapprochement de leurs relevés respectifs des montants financés en ce qui concerne les produits livrés durant chaque année civile. La Commodity Credit Corporation du pays exportateur et le Gouvernement du pays importateur pourront procéder à tous ajustements des comptes de crédit qu'ils jugeraient d'un commun accord comme étant appropriés.

F. Définitions

Aux fins d'application du présent accord:

1. La livraison sera réputée avoir eu lieu à la date du reçu à bord figurant dans le connaissance maritime signé ou paraphé pour le compte du transporteur;

2. L'importation sera réputée avoir eu lieu lorsque le produit visé aura passé la frontière du pays importateur et aura été dédouané, s'il y a lieu, par ledit pays;

3. L'utilisation sera réputée avoir eu lieu lorsque le produit visé aura été vendu aux négociants dans le pays importateur, sans restriction concernant son emploi dans ledit pays, ou lorsqu'il aura été distribué de toute autre manière au consommateur dans le pays.

G. Taux de change applicable

Aux fins d'application du présent accord, le taux de change applicable en vue de déterminer le montant de toute somme en monnaie locale devant être versée au Gouvernement du pays exportateur sera un taux en vigueur à la date de versement par le pays importateur qui ne sera pas moins favorable au Gouvernement du pays exportateur que le taux de change le plus élevé pouvant être légalement obtenu dans le pays importateur et un taux qui ne sera pas moins favorable au Gouvernement du pays exportateur que le taux de change le plus élevé pouvant être obtenu par tout autre pays. En ce qui concerne la monnaie locale:

1. Tant qu'un système de taux de change unitaire est maintenu en vigueur par le Gouvernement du pays importateur, le taux de change applicable sera le taux auquel l'autorité monétaire centrale du pays importateur, ou son agent autorisé, vend des devises étrangères en échange de monnaie locale;

2. Au cas où un système de taux de change unitaire ne serait pas maintenu en vigueur, le taux applicable sera le taux qui (selon qu'il en aura été convenu mutuellement par les deux Gouvernements) répondra aux conditions stipulées dans le premier alinéa de la présente section G.

H. Consultation

A la requête de l'un ou l'autre, les deux Gouvernements se consulteront en ce qui concerne toute question soulevée par le présent accord, notamment en ce qui concerne l'exécution des dispositions prévues en vertu du présent accord.

I. Identification et publicité

Le Gouvernement du pays importateur prendra toutes mesures dont il pourrait être mutuellement convenu avant la livraison en vue de procéder à l'identification des denrées alimentaires aux lieux de distribution dans le pays importateur et en vue d'assurer la publicité de la manière prévue au sous-paragraphe 103 (1) de la Loi.

Partie II -- DISPOSITIONS PARTICULIERESPoint I. Tableau des produits:

<u>Produit</u>	<u>Période d'offre</u> (Année budgétaire des Etats-Unis)	<u>Quantité maximum approximative (en tonnes métriques)</u>	<u>Valeur maximum sur le marché d'exportation (en millions de dollars)</u>
Farine de blé	1976	7.500	\$1,66
Riz	1976	10.000	\$2,80
Huile de soja	1976	2.000	\$1,05
<u>Total</u>			<u>\$5,51</u>

Point II. Modalités de paiement:Crédit en monnaie locale convertible

1. Paiement initial -- 5 pour cent
2. Paiement utilisant la monnaie locale -- Néant
3. Nombre de versements -- 25 versements annuels égaux
4. Montant de chaque échéance -- versements annuels approximativement égaux
5. Date d'échéance du premier versement -- 6 ans après la date de la dernière livraison de produits pour chaque année civile
6. Taux d'intérêt initial -- 2 pour cent
7. Taux d'intérêt définitif -- 3 pour cent

Point III. Tableau des marchés habituels;

<u>Produit</u>	<u>Période d'importation</u> (Année budgétaire des Etats-Unis)	<u>Obligations relatives aux marchés habituels</u> (en tonnes métriques)
Farine de blé	1976	4.700
Riz	1976	5.000
Huile végétale comestible/graines oléagineuses (en équivalence d'huile)	1976	1.900

Point IV. Limitation des exportations

A. La période de limitation des exportations est l'année budgétaire 1976 des Etats-Unis ou toute année budgétaire suivante des Etats-Unis au cours de laquelle les produits financés aux termes du présent accord sont importés ou utilisés.

B. Aux fins d'application de l'Article III A 4, Partie I, du présent accord, les produits qui ne doivent pas être exportés sont: pour la farine de blé -- le blé, la farine de blé, le fonio, la semoule, la féculé et le bulgur (ou le même produit sous un nom différent); pour le riz -- le riz paddy, brun ou blanchi, et pour l'huile de soja, toutes huiles végétales comestibles, y compris l'huile d'arachide, l'huile de soja, l'huile de graines de coton, l'huile de colza, l'huile de tournesol et l'huile de sésame, et toutes graines oléagineuses ou fèves dont ces huiles sont extraites.

Point V. Mesures d'auto-assistance

A. Le Gouvernement de la République de Guinée convient:

1. De demander l'aide d'organisations internationales compétentes en vue d'élaborer des programmes et politiques visant à stabiliser l'économie et à donner aux exploitants des incitations à la production.
2. D'intensifier les efforts afin de stabiliser les fluctuations de prix et de réduire les pertes subies par les exploitants grâce à l'amélioration des priorités de commercialisation et des installations d'emmagasinage.
3. D'accélérer la recherche appliquée sur les cultures vivrières et d'assurer parmi les producteurs la diffusion des informations sur les variétés améliorées, les besoins en engrains et les pratiques de culture.
4. Renforcer la formation des cadres aux échelons intermédiaires en matière d'enseignement professionnel et de technologie agricole afin de mettre en valeur le potentiel de développement des zones rurales.

B. Lors de la mise en oeuvre de ces mesures d'auto-assistance, on s'attachera particulièrement à contribuer directement au développement dans les zones rurales pauvres et à permettre aux populations pauvres de prendre une part active à l'accroissement de la production agricole grâce à l'agriculture en petites exploitations.

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TIAS 8378

Point VI. Objectifs de développement économique auxquels doit être consacré le produit des ventes revenant au pays importateur:

A. Les montants revenant au pays importateur sur la vente de produits financés en vertu du présent accord seront employés au financement des mesures d'auto-assistance énoncées au Point V ainsi que dans les secteurs définis au Plan de Développement élaboré par le Gouvernement de la République de Guinée pour l'économie nationale.

B. Dans l'utilisation desdits montants aux fins des objectifs susmentionnés, l'accent sera mis directement sur l'amélioration de la vie des populations les plus pauvres du pays bénéficiaire et de leur capacité à participer au développement de leur pays.

IIIeme PARTIE - DISPOSITIONS FINALES

A. Le présent accord pourra être dénoncé pour toute raison par l'un ou l'autre des Gouvernements par notification de dénonciation adressée à l'autre Gouvernement et par le Gouvernement du pays exportateur si celui-ci juge que le programme d'auto-assistance décrit dans l'accord ne se déroule pas convenablement. Cette dénonciation ne réduira aucune des obligations financières que le Gouvernement du pays importateur aura contractées à la date de ladite dénonciation.

B. Le présent accord entrera en vigueur à la date de sa signature.

EN FOI DE QUOI, les représentants soussignés, démont autorisés à cet effet, ont signé le présent accord.

FAIT à Conakry, en double exemplaire, le 21 avril 1976.

POUR LE GOUVERNEMENT DES
ETATS-UNIS D'AMERIQUE


William C. Harrop
Ambassadeur des Etats-Unis
d'Amérique



POUR LE GOUVERNEMENT DE LA
REPUBLIQUE DE CHINEE


S.E.M. Moussa Diop
Président, Comité d'Etat
De Coopération Avec Les
Pays d'Amérique et Organismes
Internationaux



MEMORANDUM OF UNDERSTANDING
RELATING TO THE AGREEMENT
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF GUINEA
FOR SALES OF AGRICULTURAL COMMODITIES IN
FISCAL YEAR 1976

In implementation of the Agreement Between the Government of the United States of America and the Government of the Republic of Guinea for Sales of Agricultural Commodities in Fiscal Year 1976 (hereinafter referred to as the Agreement) the Government of the United States of America and the Government of the Republic of Guinea have noted and agreed as follows;

I. Commodities

Previous Agreements for the Sales of Agricultural Commodities were concluded on the following dates: February 2, 1962 (and the amendments thereto of May 3, 1962 and June 29, 1962), May 22, 1963 (and the amendments thereto of November 2, 1963; July 1 and July 11, 1964; and September 18, 1965), June 13, 1964 (and the amendments thereto of October 7, 1964 and December 21, 1964); February 4, 1966; October 18, 1967, February 3, 1969; May 6, 1970; August 8, 1970, March 12, 1971, June 17, 1971 (and the amendment thereto of May 15 and 23, 1972), March 15, 1973 (and the amendment thereto of March 30 and April 11, 1973); May 8, 1974 (and the amendments thereto of

May 24, 1974; June 13 and 14, 1974) and May 8, 1975.^[1]

Under the terms of these Agreements the people of the United States of America have extended food assistance to the people of the Republic of Guinea for 13 years, from 1962 to 1975, valued at \$59.6 million. Wishing to maintain and strengthen the relations between the peoples of the United States of America and the Republic of Guinea the two Governments have entered into the Agreement whereby,

The Government of the United States of America as stated in Part I, Article I (A) of the Agreement undertakes to finance the sales of agricultural commodities to the Government of the Republic of Guinea on a concessional basis in quantities specified in Part II of the Agreement. Commodities so furnished under the Agreement shall be considered as supplementing Guinean national production in a transitional period to greater national food self-sufficiency.

II. Reporting

A. In order that the two partners may be informed of the status of the program, and in order to implement the provisions of the Agreement, the Government of the Republic of Guinea acknowledges the following reports which must be submitted to AID by the Government of the Republic of Guinea, noting the dates due for each report:

¹ TIAS 4948, 8258: 13 UST 131, ante, p. 1474.

Reporting Schedule

<u>Date Due</u>	<u>Report</u>
January 15	Compliance Report Covering October-December
April 15	Compliance Report Covering January-March
July 15	Compliance Report Covering April-June
October 15	Compliance Report Covering July-September
December 1	Self-Help Report
December 1	Receipt and Expenditure of Proceeds
Upon Completion of Unloading of Each Ship	Shipping and Arrival Report

B. Acknowledging its obligations for complete and timely compliance reporting, the Government of the Republic of Guinea agrees to furnish during the course of present negotiations the following reports requested by the Embassy in Diplomatic Notes:

- No. 029 Report on the Supply, Distribution and Importation of rice, wheat flour and vegetable oil.
- No. 030 Report on the Accumulation and Use of Sales Proceeds from the Title I PL 480 Program.
- No. 036 Report on Agricultural Production.
- No. 037 Report on the Balance of Payments.

C. In addition, the Government of the Republic of Guinea has acknowledged by its submission of Outturn/Survey Reports, the receipt of 11,405 tons of corn, 2,868 tons of sorghum and 950 tons of corn-soya blend under the PL 480 Title II programs of

1974 and 1975 and agrees to furnish, as required under the documents relating to these programs, the report on the distribution and sales of these commodities. This report shall be submitted prior to the signature of the present Agreement and shall indicate (1) quantities distributed, (2) the place of distribution, (3) the amount of losses in transportation and handling, (4) the sales price of the commodities and (5) the total amount of local currency generated by the sales, and shall form the basis for the deposit of the proceeds to the special account described in the Title II documents and paragraph 3 of Section III below.

III. Use of Local Currency Proceeds: Self-Help Requirements

A. With regard to the accumulation and use of proceeds from sales of commodities provided under Title I, the Government of the Republic of Guinea notes in Article II (F) of the Agreement the requirements for an accounting of the use of the proceeds accruing under the Agreement and agrees to furnish a report by December 1, 1976 which indicates (1) the projects for which the proceeds were used, (2) the sites of the projects, (3) the budget sector in Guinea's National Development Plan which these projects come under, and (4) the amount of currency used.

B. The Government of the Republic of Guinea agrees to use the proceeds accruing under the Agreement for the purposes outlined in Part II, Items V and VI of the Agreement, entitled

Self Help Measures, and for budget sectors related to those purposes, particularly the development of food distribution systems and the extension of better farming methods and market opportunities to small farmers.

C. The Government of the Republic of Guinea further agrees that it shall submit to the Embassy of the United States in Conakry proposals for the use of proceeds generated by Agricultural Commodity Sales Agreements of October 18, 1967, February 3, 1969; May 6, 1970; August 8, 1970; March 12, 1971, June 17, 1971 (and the amendment thereto of May 15 and May 23, 1972), March 15, 1973 (and the amendment thereto of March 30 and April 11, 1973), May 8, 1974 (and the amendments thereto of May 24, 1974; June 13 and 14, 1974), and May 8, 1975; and the funds generated by sales of commodities provided under the PL 480 Title II program of fiscal years 1974 and 1975. The proposals for use of these funds shall be based on projects aimed at promoting economic development, primarily in the agricultural sector, in particular in the regions affected by drought, and towards the purposes described in the Self Help Measures sections of the aforementioned Agreements.

D. The Government of the Republic of Guinea further agrees that in the course of these negotiations it shall deposit in a special account at the Banque Guineene du Commerce Exterieur

the proceeds accruing to it from the sale of commodities provided under the United States PL 480 Title II program for fiscal years 1974 and 1975, as stipulated in the official documents relating to these programs. It is the understanding of both Governments that these proceeds shall be employed first to pay transportation and handling costs incurred during the distribution of the commodities and second, in development projects to aid recovery in the drought affected regions.

IV. Payments

A. In recognition of the undertakings of the Government of the United States of America during the period 1967 to 1975 to provide the Government of the Republic of Guinea with agricultural commodities totalling \$38.4 million, the Government of the Republic of Guinea acknowledges the credit provisions of the Agreements of October 18, 1967; February 3, 1969; May 6, 1970; August 8, 1970; March 12, 1971; June 17, 1971 (and the amendment thereto of May 15 and 23, 1972); March 15, 1973 (and the amendment thereto of March 30 and April 11, 1973); May 8, 1974 (and the amendments thereto of May 24, 1974; June 13 and 14, 1974;) and May 8, 1975, and agrees that payments incurred under these concessional sales programs shall be made in full on a timely basis.

B. In recognition of this commitment the Government of the Republic of Guinea acknowledges Embassy notes numbers 032 and 035 and agrees to effect payments mentioned therein to the appropriate agencies of the United States Government and to complete such payments prior to the signature of the Agreement.

C. In addition, the Government of the Republic of Guinea acknowledges diplomatic note number 27 of March 19, 1976 concerning payments due to agencies of the United States Government during the course of calendar year 1976. The Government of the Republic of Guinea undertakes to effect these payments in full according to the schedule of payments provided in note number 27. Both parties recognize that significant benefits are to be derived by all concerned when the program proceeds according to the provisions of the Agreement and note the undesirability of incurring additional charges due to late or incomplete payments.

V Provisions of the Agreement

A. Financial Terms

1. As set forth in Part II, Item II of the Agreement, financing of the program shall provide for convertible local currency credit terms of 30 years credit, including a six year grace period, with interest rates of two percent during the grace period and three percent thereafter.

2. The Government of the Republic of Guinea agrees to pay the initial payment specified in Part II of the Agreement. This payment shall be a total of five percent of the purchase price (\$275,500) to be made in United States dollars in accordance with the applicable purchase authorization.

B. Identification

1. In view of the efforts of the Government of the United States of America to assist the Government of the Republic of Guinea providing food commodities on a concessional basis; in recognition that this assistance has continued for 13 years providing \$59.6 million in concessional sales of agricultural commodities; being desirous of promoting increased goodwill between the people of the United States of America and the people of the Republic of Guinea; with reference to the Agreement under consideration; and in recognition of Part I Article III Item I of the Agreement,

The Government of the United States of America and the Government of the Republic of Guinea agree to undertake a program of identification and publicity of the Agreement including the following:

a) Upon signature of the Agreement both parties will issue a joint communique detailing the signing of the Agreement, including the amounts of commodities to be provided;

- b) the text of this communique shall be broadcast over the national radio network of the Republic of Guinea, the Voice of the Revolution, not later than twenty-four hours after the signing of the Agreement;
- c) The text of the communique shall be published in HOROYA, the central organ of the Parti-Etat de Guinee not later than two weeks following the signing of the Agreement and shall be accompanied by an article noting the United States commodity assistance to the Republic of Guinea over the period 1962 to 1975 which is provided on the basis of the friendship between the peoples of the Republic of Guinea and the United States of America.
- d) The text of the communique shall be published in the Bulletin of the Embassy of the United States of America in Conakry accompanied by an article noting the United States commodity assistance to the Republic of Guinea over the period 1962 to 1975 which is provided on the basis of the friendship between the peoples of the Republic of Guinea and the United States of America.
- e) In the issuance of bids for provision of the commodities to be financed under the Agreement, the Government of the Republic of Guinea agrees that food commodities shall be marked as being provided on a concessional basis to the

people of Guinea by the people of the United States of America. In addition, the Government of the Republic of Guinea, insofar as practicable, will insure that such identification is made at the point of sales of the commodities.

C. In order to fully implement items a, b, c, d, and e above, the Government of the Republic of Guinea agrees to report on a periodic basis on the measures taken to carry out identification of the Agreement. These reports shall be included as part of the quarterly Compliance Reports (Part II (A) of the Memorandum of Understanding) and shall detail the measures taken by the Government to identify the commodities provided under the Agreement as being provided to the people of Guinea by the people of the United States of America.

D. Usual Marketing Requirements (UMR's)

1. The Government of the Republic of Guinea notes in Part II, Item III of the Agreement the provision for a Usual Marketing Requirement of the following:

Rice	5,000 MT
Wheat flour	4,700 MT
Vegetable oils	1,900 MT

2. The Usual Marketing Requirement for each commodity represents an average of commercial imports of the Republic of Guinea over the past five years. The UMR complies with Section 103 (c) of PL 480 which requires that in negotiating

PL 480 Title I Agreements the President of the United States of America shall take reasonable precautions to safeguard usual marketings of the United States and to assure that sales under Title I will not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries.

Therefore, the Government of the United States of America wishes to point out and the Government of the Republic of Guinea acknowledges the following:

(a) The UMR for each commodity is presumed to be the minimum quantity that would be imported through normal commercial channels in the absence of a Title I sales agreement and, therefore, must be imported commercially even though the full allotment under Title I is not utilized.

(b) Purchases against the UMRs are to be financed by the Government of the Republic of Guinea from its own resources (not including AID financing) Imports from the USSR, Peoples Republic of China, Eastern Europe (except Poland and Yugoslavia), Cuba, Vietnam and North Korea, commodities imported under PL 480, or grants received from the United States or other sources cannot be counted towards the UMRs.

(c) Should the United States Government authorize and finance deliveries of Title I commodities to extend beyond the supply period specified in Part II of the Agreement, the importing

country will be required according to Article III-A (1) of the Agreement to maintain the same UMR for the subsequent comparable period. If a UMR different from that established in the Agreement is deemed appropriate, the Agreement may be amended.

3. In view of the Usual Marketing Requirement the Government of the United States of America wishes to inform the Government of the Republic of Guinea that short term commercial credit (6 to 36 months) is available through the Commodity Credit Corporation (CCC) Export Credit Sales Program to foreign buyers purchasing U.S. agricultural commodities. This source of financing may be used to purchase the usual marketing requirements. Credit is initially extended by the Foreign Agricultural Service, USDA, to U.S. exporters to help them move a greater volume of sales than they could otherwise be able to do by conventional private financing. A letter of credit is opened in favor of CCC credit and after shipment of a commodity, the U.S. exporter sells the account receivable to the Treasurer of the CCC. In this process the deferred payment benefit and credit obligations are transferred to the foreign buyer.

Financing is limited to the full export value of the commodity (FOB or FAS basis) and payments are due 12 months from the on board bill of lading date in equal annual payments of principal and accrued interests. If the term of credit is less than one year then the total is due and payable at the end of the credit period. The key assurance document to CCC financing is the

irrevocable letter of credit from either an approved foreign or U.S. bank. A foreign bank letter of credit opened in favor of the Treasurer of CCC must be confirmed for at least 10 percent of the value by a U.S. bank. The interest rates charged for CCC financing are adjusted periodically to reflect a proper relation to U.S. bank rates, the costs of money to CCC, and credit rates offered by competing foreign suppliers. The Department of Agriculture issues monthly press releases announcing current interest rates and the list of commodities eligible for short term financing.

As the CCC Export Credit Sales Program services commercial trade requirements and aims only at expanding commodity exports, the cargo requirements of the U.S. cargo preference legislation (PL 664) do not apply to the resulting exports. Foreign buyers are free to select ocean carriers.

E. Cost and Value

1. The export market values of commodities shown in Part II of the agreement represent the total amount for which purchase authorizations may be issued and include the initial payment. The quantities of commodities shown in Part II of the Agreement are approximations based on current estimates of export market prices. It should be understood that changes in market prices may take place after negotiations have begun which will result in an increase or decrease in the quantity

of the commodity procurable with the dollar amounts under negotiation.

In view of current fiscal year limitations on overall commodity and PL 480 funding availabilities, the Government of the United States of America wishes to call particular attention of the Government of the Republic of Guinea to Article I (c) of Part I of the Agreement which provides that the export market value specified in Part II may not be exceeded. This means that, if commodity prices increase over those used in determining the quantities and market values indicated in Part II of the Agreement, the quantity to be financed under the agreement will be less than the appropriate maximum quantity set forth in Part II. Should commodity prices decrease, however, the quantities of commodities to be financed will be limited to those specified in Part II. Also if supply problems and limitations on PL 480 expenditures arise in FY 1976, it may become necessary to withhold some shipments during the supply period. Such actions can be taken pursuant to Part I, Article III of the Agreement, which is a standard provision included in all Agreements to cover a point required by statute. Although such action does not now appear probable, the Government of the Republic of Guinea acknowledges this provision in the event the United States Government is unable to implement fully the amounts provided for in the sales agreement. In all cases, commodities are purchased from private U.S. suppliers

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and actual prices are agreed upon between buyers and sellers
(subject to price review by USDA)

F. Exports

The commodities provided in the Agreement are for the purpose of helping to meet the food requirements of the Republic of Guinea and are not for the purpose of permitting an increase in exports of the same or like commodities as defined in the Agreement. Any exports of the same or like commodities, either of indigenous origin or foreign origin, accordingly, cannot be permitted unless specifically agreed to by the U.S. This is specifically covered in Part I, Article III A (4) and Part II, Item IV of the Agreement.

G. Violations

The Government of the United States of America and the Government of the Republic of Guinea note that failure to comply with the provisions of Part I, Article III (A) of the Agreement or failures to comply with any other requirement of the Agreement, could result in withholding issuance of purchase authorizations and would be taken into account in consideration of new PL 480 agreements unless the situation is remedied. If the violation involves prohibited exports, remedy may take form of dollar payment to the U.S. Government to the extent of the value of the violation or the purchase and importation, utilizing the importing country's own resources, on a commercial basis from the United States, an equivalent amount of such excess exports. These

*

additional imports must be over and above the UMR.

H. Purchase Authorizations

The Government of the Republic of Guinea notes that purchase authorizations issued under the Agreement will contain requirements that invitations for bids for both commodity and freight must be submitted to FAS/USDA/Washington for review and approval prior to their release to prospective bidders. The primary purpose of this requirement is to enable USDA to ensure that invitations do not contain terms or conditions which may be in conflict with PA terms and PL 480 financing regulations. Prior review of invitations will also give USDA specialists opportunity to provide advice and assistance in assuring realistic commodity delivery schedules in order to allow maximum flexibility in matching available shipping to commodity contracts.

VI. General Considerations

A. Prior to the signature of the Agreement, the Government of the Republic of Guinea informed the Embassy of the United States of America in Conakry of the individuals or agencies in the Government of the Republic of Guinea responsible for, and with whom representatives of the United States Government may consult, concerning

- 1) Commodity arrival and offloading information.
- 2) Marking and identifying of commodities.
- 3) Publicizing arrivals.
- 4) Assurances against resale and transshipment.

- 5) Compliance with Usual Marketing Requirements and Export Limitations.
- 6) Generation and use of currencies arising from convertible local currency credit sales.
- 7) Carrying out self-help measures.
- 8) Reconciliation of accounts, including principle and interest payments.

B. The Government of the United States of America informs the Government of the Republic of Guinea that it will be necessary to designate one or more persons in the United States to consult with representatives of the United States Government to discuss the rules and procedures applicable to procurement, financing, reporting, and ocean transportation, because of the complications involved in connection with the implementation of all the provisions of the Agreement. This consultation must be completed before any purchase authorizations are issued. A designated person in the United States should be authorized to sign all documents relating to the implementation of the Agreement.

C. Furthermore, the Government of the United States of America informs the Government of the Republic of Guinea that if it engages the services of an individual or firm as its agent to handle the procurement of the commodities and/or ocean shipping, such agent must be approved by the United States Department of Agriculture. A copy of the written agreement between the Government of the Republic of Guinea and the United States agent

must be submitted to USDA for approval. Such approval should be obtained prior to the issuance of the applicable purchase authorizations.

VII. Delivery

A. In view of the responsibility of the Embassy of the United States in Conakry for execution of the Agreement on the part of the Government of the United States of America, the Government of the Republic of Guinea agrees to provide access to the port of Conakry throughout the duration of delivery of commodities under the Agreement, to Embassy personnel charged with operational responsibility for the Agreement (including the Economic/Commercial Officer, the Consul, and the representative of AID).

B. With regard to delivery of soybean oil under the Agreement, in view of past difficulties the Embassy of the United States of America recommends that shipment of such oil be made in sealed drums.

C. The Government of the Republic of Guinea recognizes the necessity of the expeditious discharging of commodities provided under the Agreement and to this end, per Item VI (B) above, will formulate a delivery schedule making the most judicious use of port, transport and storage facilities. Discharging of the cargo shall be accomplished as rapidly as possible on a twenty-four hour basis, weather permitting. In addition, special care shall be taken to ensure the integrity

of the shipments against any loss.

VIII. Conclusion

This Memorandum of Understanding shall enter into force upon signature of the Agreement Between the Government of the United States of America and the Government of the Republic of Guinea for Sales of Agriculture Commodities. Signed this 21st day of April 1976 at Conakry, Republic of Guinea.

David Bryan Dlouhy
For the Government of the
United States of America
David Bryan Dlouhy
Economic and Commercial
Attache, Embassy of the
United States of America



[Signature]
For the Government of the
Republic of Guinea
Mountaga Keita
Director, AID Division
State Committee for
Cooperation with the
Americas and International
Organizations



MEMORANDUM D'ENTENTE
CONCERNANT L'ACCORD

ENTRE

LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE
ET
LE GOUVERNEMENT DE LA REPUBLIQUE DE GUINEE
EN VUE DE LA VENTE DE PRODUITS
AGRICOLES
POUR L'ANNEE FISCALE 1976

Dans l'exécution de l'Accord entre le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République de Guinée En Vue de la Vente de Produits Agricoles pour l'Année Fiscale 1976 (ci-après dénommé l'Accord), le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République de Guinée ont pris connaissance et convenu ce qui suit :

I - PRODUITS

Les Accords précédents En Vue de la Vente de Produits Agricoles ont été conclus aux dates suivantes le 2 février 1962 (et les amendements s'y rapportant du 3 mai 1962 et du 29 juin 1962) ; le 22 mai 1963 (et les amendements du 2 novembre 1963, du 1er et 11 juillet 1964 et du 18 septembre 1965) ; le 13 juin 1964 (et les amendements du 7 octobre 1964 et du 21 décembre 1964) le 4 février 1966 ; le 18 octobre 1967 . le 3 février 1969 , le 6 mai 1970 ; le 8 août 1970 ; le 12 mars 1971 ; le 17 juin 1971 (et l'amendement du 15 et 23 mai 1972) - le 15 mars 1973 (et l'amendement du 30 mars et 11 avril 1973) le 8 mai 1974 (et les amendements du 24 mai 1974, du 13 et 14 juin 1974), et le 8 mai 1975.

Sous les termes de ces Accords, le peuple des Etats-Unis d'Amérique a accordé une assistance alimentaire au peuple de la République de Guinée pendant 13 ans, depuis 1962 jus-

qu'à 1975, pour une valeur de \$59,6 millions de dollars.

Désirant maintenir et renforcer les relations entre les peuples des Etats-Unis d'Amérique et de la République de Guinée, les deux Gouvernements ont conclu un Accord, par lequel le Gouvernement des Etats-Unis comme arrêté à la Partie I Article I (A) de l'Accord s'engage à financer la vente de produits agricoles dans les quantités spécifiées dans la Partie II de l'Accord, au Gouvernement de la République de Guinée sur des bases concessionnaires. Les produits fournis suivant l'Accord seront considérés comme un supplément de la production nationale guinéenne pendant une période de transition vers un niveau plus élevé d'auto-suffisance alimentaire.

II - RAPPORTS

A. Dans le but que les deux parties soient informées de l'état du programme et dans le but de mettre en oeuvre les dispositions de l'Accord, le Gouvernement de la République de Guinée reconnaît devoir soumettre à l'AID les rapports suivants, en tenant compte de la date d'échéance indiquée pour chaque rapport

Calendrier des Rapports

<u>Date d'échéance</u>	<u>Rapport</u>
15 janvier	Rapport de Conformité aux Dispositions de l'Accord pendant la période octobre-décembre
15 avril	Rapport de Conformité pendant la période janvier-mars
15 juillet	Rapport de Conformité pendant la période avril-juin

15 octobre	Rapport de Conformité pendant la période juillet-septembre
1er décembre	Rapport d'Auto-assistance
1er décembre	Rapport sur l'Accumulation et la destination des fonds provenant des ventes
Après chaque déchargement	Rapport d'Expédition et d'Arrivée.

B. Reconnaissant ses obligations de remettre dans leur totalité et aux dates fixées, les rapports de conformité, le Gouvernement de la République de Guinée convient de fournir au cours des négociations présentes les rapports suivants demandés par l'Ambassade dans les notes diplomatiques résumées ci-dessous

No. 029 - Rapport sur l'approvisionnement, la distribution et l'importation de riz, de farine de blé, et d'huile végétale

No. 030 - Rapport sur l'Accumulation et la destination des fonds provenant des ventes sous le programme Titre I de la PL 480

No. 036 - Rapport sur la production agricole

No. 037 - Rapport sur la balance des paiements.

C. En outre, le Gouvernement de la République de Guinée a reconnu par ses rapports de Déchargement, avoir reçu 11.405 tonnes de maïs, 2.868 tonnes de sorgho, et 950 tonnes de mélange maïs-soya, sous les programmes 1974-1975 du Titre II de la PL 480, et convient de fournir comme exigé par les documents concernant ces programmes, le Rapport de Distribution et Ventes

de ces produits. Ce rapport sera remis avant la signature du présent Accord et indiquera (1) les quantités distribuées (2) les lieux de distribution, (3) le montant des pertes pendant le transport, (4) le prix des ventes de produits et (5) la somme totale de la monnaie locale générée par les ventes, et constituera la base pour le dépôt des fonds dans le compte spécial décrit dans les documents du Titre II et dans le paragraphe 3 de la section III ci-dessous.

III. DESTINATION DES FONDS EN MONNAIE LOCALE; AUTO-ASSISTANCE

A. En ce qui concerne l'accumulation et la destination des Fonds provenant de la vente des produits fournis sous le Titre I, le Gouvernement de la République de Guinée prend note dans l'article II (F) de l'Accord des exigences pour une comptabilité de la destination des fonds provenant de l'Accord et convient de fournir avant le 1er décembre 1976 un rapport qui indique (1) les projets auxquels ces fonds seront destinés, (2) l'endroit où ces projets se dérouleront, (3) le secteur budgétaire dans le Plan National de Développement de Guinée qui couvre ces projets, et (4) la somme affectée.

B. Le Gouvernement de la République de Guinée s'engage à destiner les fonds provenant de l'Accord aux buts soulignés dans la Partie II Point V et VI "Mesures d'Auto-assistance", et pour les secteurs budgétaires se rapportant à ces buts, spécialement le développement des systèmes de distribution alimentaire et la vulgarisation de meilleures méthodes agricoles et opportunités de commercialisation pour les cultivateurs individuels.

C. Le Gouvernement de la République de Guinée convient en plus de remettre à l'Ambassade des Etats-Unis à Conakry des propositions pour la destination des fonds générés par les Accords de Ventes de Produits Agricoles signés le 18 octobre 1967 - le 3 février 1969 , le 6 mai 1970 ; le 8 août 1970 - le 12 mars 1971 le 17 juin 1971 (et l'amendement du 15 et 23 mai 1972) le 15 mars 1973 (et l'amendement du 30 mars et 11 avril 1973) le 8 mai 1974 (et l'amendement du 24 mai 1974, du 13 et 14 juin 1974), et le 8 mai 1975 , et les fonds générés par les ventes de produits fournis par les programmes Titre II sous la PL 480 des années fiscales américaines 1974 et 1975. Les propositions de destinations de ces fonds auront en vue des projets visant à promouvoir le développement économique, surtout dans le secteur agricole, en particulier dans les régions affectées par la sécheresse; et à atteindre les buts décrits dans les sections sur les Mesures d'Auto-assistance des accords ci-dessus mentionnés.

D. Le Gouvernement de la République de Guinée convient aussi qu'au cours de ces négociations, il versera dans un compte spécial à la Banque Guinéenne du Commerce Extérieur les fonds provenant des ventes des produits fournis par les Etats-Unis, à travers les programmes Titre II, sous la PL 480, des années fiscales américaines 1974 et 1975, comme stipulé dans les documents officiels couvrant ces programmes. Les deux Gouvernements conviennent que ces fonds soient destinés d'abord à payer les frais de transport et de manutention contractés lors de la distribution des produits et deuxièmement à des projets de développement afin d'aider le relèvement des régions affectées par la sécheresse.

IV. PAIEMENTS

A. En reconnaissant les engagements du Gouvernement des Etats-Unis d'Amérique pendant la période 1967-1975, de fournir au Gouvernement de la République de Guinée des produits agricoles qui ont atteint la somme de \$38,4 millions, le Gouvernement de la République de Guinée prend note des dispositions sur le crédit des accords du 18 octobre 1967 , du 3 février 1969 , du 6 mai 1970 du 8 août 1970 , du 12 mars 1971 du 17 juin 1971 (et l'amendement du 15 et 23 mai 1972) du 15 mars 1973 (et l'amendement du 30 mars et 11 avril 1973) du 8 mai 1974 (et l'amendement du 24 mai 1974, du 13 et 14 juin 1974), et du 8 mai 1975, et convient que les paiements contractés sous ces programmes de ventes concessionnaires seront faits en entier à la date fixée.

B. En reconnaissant cet engagement le Gouvernement de la République de Guinée prend connaissance des notes d'Ambassade numéros 032 et 035 et convient d'effectuer les paiements y mentionnés aux agences indiquées du Gouvernement des Etats-Unis et d'accomplir ces paiements avant la signature de l'Accord.

C. En outre, le Gouvernement de la République de Guinée prend connaissance de la note diplomatique no. 27 du 19 mars 1976 concernant les paiements dus aux agences du Gouvernement des Etats-Unis au cours de l'année civile 1976. Le Gouvernement de la République de Guinée s'engage à effectuer ces paiements en entier, suivant le calendrier des paiements transmis par la note no. 27. Les deux parties reconnaissent les avantages importants qui reviendront

aux parties concernées si le programme se déroule suivant les dispositions de l'Accord, et font remarquer qu'il n'est pas désirable de subir des intérêts supplémentaires à cause de paiements en retard ou incomplets.

V. DISPOSITIONS DE L'ACCORD

A. Modalités financières

1. Comme établi dans la Partie II, Point II de l'Accord, le financement du programme requérira des modalités de crédit pendant 30 ans en monnaie locale convertible, y compris la période initiale de 6 ans, avec des taux d'intérêt de deux pour cent pendant la période initiale et de trois pour cent après.

2. Le Gouvernement de la République de Guinée convient d'effectuer le paiement initial spécifié dans la Partie II de l'Accord. Ce paiement qui équivaudra au cinq pour cent du prix d'achat (\$275.500), devra être fait en dollars suivant l'autorisation d'achat afférente.

B. Identification

1. En considérant les efforts du Gouvernement des Etats-Unis d'Amérique pour assister le Gouvernement de la République de Guinée en lui fournissant les produits alimentaires suivant des bases concessionnaires ; en reconnaissant que cette assistance s'est maintenue pendant treize années en fournissant \$59,6 millions de ventes concessionnaires de produits agricoles • désirant promouvoir l'amitié entre le peuple des Etats-Unis d'Amérique et le peuple de la République de Guinée , en se référant à l'Accord ici considéré ; et en tenant compte de la Partie I Article III Point I de l'Accord,

Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République de Guinée conviennent d'entreprendre un programme d'identification et de publicité de l'Accord qui comprend ce qui suit

- a) Après la signature de l'Accord, les deux parties publieront un communiqué conjoint détaillant la signature de l'Accord en indiquant les quantités de produits à fournir .
- b) Le texte du communiqué sera lu à la radio nationale de la République de Guinée, la Voix de la Révolution, dans un délai maximum de vingt-quatre heures après la signature de l'Accord .
- c) Le texte du communiqué sera publié dans HOROYA, l'Organe Central du Parti-Etat de Guinée, dans un délai maximum de deux semaines après la signature de l'Accord et sera accompagné d'un article indiquant l'assistance alimentaire des Etats-Unis à la République de Guinée pendant la période 1962 à 1975 fournie sur la base de l'amitié entre les peuples de la République de Guinée et les Etats-Unis d'Amérique.
- d) Le texte du communiqué sera publié dans le bulletin de l'Ambassade des Etats-Unis d'Amérique à Conakry accompagné d'un article indiquant l'assistance alimentaire des Etats-Unis à la République de Guinée pendant la période 1962 à 1975, assistance fournie sur la base de l'amitié entre les peuples de la République de Guinée et les Etats-Unis d'Amérique.
- e) En lançant les appels d'offre pour fournir les produits financés sous l'Accord, le Gouvernement de la République de Guinée exigera qu'il soit marqué sur les

produits qu'ils sont fournis sur des bases concessionnaires au peuple de Guinée par le peuple des Etats-Unis d'Amérique. En outre, le Gouvernement de Guinée, dans la mesure du possible, assurera qu'une telle identification sera faite aux points de vente des produits.

C. Afin d'exécuter pleinement les points a, b, c, d, et e ci-dessus, le Gouvernement de la République de Guinée convient de rendre compte périodiquement des mesures prises pour mettre en oeuvre l'identification de l'Accord. Ces rapports feront partie des Rapports de Conformité trimestriels (Partie II, (A) du Mémorandum d'Entente) et détailleront les mesures prises par le Gouvernement de Guinée pour indiquer que les produits fournis sous l'Accord sont fournis au peuple de Guinée par le peuple des Etats-Unis d'Amérique.

D. OBLIGATIONS RELATIVES AU MARCHE HABITUEL (ORMH)

1. Le Gouvernement de la République de Guinée note dans la Partie II Point III de l'Accord la stipulation pour les Obligations Relatives au Marché habituel suivantes .

Riz	5.000 TM
Farine de blé	4.700 TM
Huile végétale	1.900 TM.

2. L'Obligation Relative au Marché Habituel pour chaque produit représente la moyenne des importations commerciales de la République de Guinée pendant les cinq dernières années. L'ORMH satisfait la Section 103 (c) de la PL 480 qui exige qu'en négociant les accords du Titre I de la PL 480, le Président des Etats-Unis d'Amérique prenne des précautions raisonnables

pour sauvegarder les marchés habituels des Etats-Unis et pour assurer que les ventes du Titre I ne brisent pas à tort les prix mondiaux des produits agricoles ou les normes de commerce avec les pays amis.

Par conséquent, le Gouvernement des Etats-Unis d'Amérique désire souligner, et le Gouvernement de la République de Guinée reconnaît ce qui suit .

a) L'ORMH pour chaque produit est présumée être la quantité minimum qui serait importée à travers les canaux normaux de commercialisation, dans l'absence de l'accord des ventes sous le Titre I, et par conséquent doit être importée commercialement, même si l'attribution totale sous le Titre I n'est pas utilisée.

b) Les achats répondant aux ORMH doivent être financées par le Gouvernement de la République de Guinée avec ses propres ressources (sans inclure le financement de l'AID). Les importations de l'URSS, la République Populaire de Chine, l'Europe de l'Est (mauf la Pologne et la Yougoslavie), Cuba, le Vietnam, et la Corée du Nord, les produits importés sous la PL 480, ou les subventions reçues des Etats-Unis ou d'autres sources ne peuvent satisfaire les ORMH.

c) Si le Gouvernement des Etats-Unis autorise et finance la livraison des produits du Titre I au delà de la période d'approvisionnement spécifiée dans la Partie II de l'accord, le pays importateur sera tenu suivant l'Article III A (1) de l'Accord de maintenir les mêmes ORMH pour la période subséquente comparable. Si une obligation différente de celle établie dans l'Accord est jugée appropriée, l'Accord sera amendé.

3. Suivant les Obligations Relatives au Marché Habituel, le Gouvernement des Etats-Unis d'Amérique désire informer le Gouvernement de la République de Guinée que le crédit commercial à court terme (6 à 36 mois) est disponible à travers le programme de crédit pour la vente d'exportation du Commodity Credit Corporation (ccc), pour les acheteurs étrangers de produits agricoles américains. Cette source de financement peut être utilisée pour acheter les Obligations Relatives au Marché Habituel. Le crédit est ouvert d'abord par le Service Agricole Etranger du Département d'Agriculture des Etats-Unis (USDA), aux exportateurs américains pour les aider à commercialiser un plus grand volume de ventes de ce qu'ils pourraient faire autrement avec un financement privé habituel. Une lettre de crédit est ouverte en faveur du crédit CCC et après livraison du produit l'exportateur américain vend la dette active au Trésorier du CCC. Par ces procédures, l'avantage du paiement différé et les obligations du crédit sont transférées à l'acheteur étranger.

Le financement est limité à la valeur totale de l'exportation du produit (FOB ou FAS) et les paiements, qui commencent 12 mois après la date du connaissance de chargement, s'effectueront par des annualités égales du principal et de l'intérêt accumulé. Si la période de crédit est inférieure à une année, le total est dû et payable à la fin de la période de crédit. Le document principal de l'assurance pour le crédit du CCC est la lettre irrévocable de crédit d'une banque agréée étrangère ou des Etats-Unis. Une lettre de crédit d'une banque étrangère, ouverte en faveur du Trésorier du CCC doit être confirmée pour au moins 10% de sa valeur par une banque américaine.

Les taux d'intérêts fixés pour le financement du CCC sont

TIAS 8378

périodiquement mis à jour pour refléter le rapport correct avec le taux des banques américaines, le prix de l'argent au CCC, et les taux de crédit offerts par des concurrents étrangers. Le Département d'Agriculture publie mensuellement des communiqués de presse indiquant les taux d'intérêt actuels et la liste de produits admissibles pour le financement à court terme.

Comme le programme de crédit pour les ventes d'exportation du CCC facilite les besoins d'échanges commerciaux et vise seulement à étendre les exportations des produits, les exigences pour le transport de la législation de préférence pour les armateurs américains (PL 664) ne s'appliquent pas aux exportations qui en découlent. Les acheteurs étrangers sont libres de choisir les transporteurs maritimes.

E. Prix et Valeurs

1. Les valeurs sur le marché d'exportation des produits mentionnés dans la Partie II de l'Accord représentent la somme totale pour laquelle les autorisations d'achat peuvent être délivrées et comprennent le paiement initial. Les quantités de produits indiqués dans la Partie II de l'Accord sont des approximations faites suivant les estimations actuelles des prix du marché d'exportation. Il est entendu que des changements dans les prix du marché peuvent avoir lieu après le début des négociations et peuvent entraîner une augmentation ou une diminution dans la quantité du produit qui peut être acquis avec les sommes en dollars sous négociation.

En tenant compte des limitations de l'année fiscale actuelle pour les disponibilités financières de la PL 480 et les produits en général, le Gouvernement des Etats-Unis d'Amérique désire attirer l'attention du Gouvernement de la République de Guinée

sur l'Article I (e) de la Partie I de l'Accord qui stipule que la valeur sur le marché d'exportation spécifiée dans la Partie II ne peut être dépassée. Ceci veut dire que, si les prix des produits s'élèvent au delà de ceux qui ont été employés pour déterminer les quantités et les valeurs sur le marché qui sont indiquées dans la Partie II de l'Accord, la quantité à être financée sous l'Accord sera inférieure à la quantité maximum appropriée établie dans la Partie II. Cependant, si les prix des produits diminuent, les quantités des produits à être financées seront limitées à celles spécifiées dans la Partie II. De la même façon, si des problèmes d'approvisionnement et des limitations sur les dépenses de la PL 480 surgissent au cours de l'année fiscale 1976, il s'avérera nécessaire de retenir des livraisons pendant la période d'approvisionnement. De telles actions peuvent être engagées suivant la Partie I Article III de l'Accord, qui relate les dispositions habituelles comprises dans tout Accord afin de se conformer aux exigences du règlement. Bien qu'une telle action ne soit pas probable, le Gouvernement de la République de Guinée reconnaît cette disposition dans le cas où le Gouvernement des Etats-Unis ne soit pas en mesure d'employer les sommes totales prévues dans l'Accord de ventes. Dans tous les cas, les produits sont achetés aux fournisseurs privés américains et les prix véritables seront convenus entre les acheteurs et les vendeurs (sous réserve d'une vérification du prix par USDA)

F. Exportations

1. Les produits fournis sous l'Accord ont comme but d'aider la République de Guinée à remplir ses exigences alimentaires et non dans le but de permettre une augmentation des

exportations des mêmes produits ou des produits semblables comme définis par l'Accord. Toute exportation de produits semblables ou identiques, d'origine locale ou étrangère; suivant ces termes, ne sera pas permise à moins qu'elle soit spécialement accordée par les Etats-Unis. Ceci est spécialement stipulé dans la Partie I, Article III A (4) et la Partie II Point IV de l'Accord.

G. Violations

1. Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République de Guinée remarquent qu'un manque de conformité avec les dispositions de la Partie I Article III (A) de l'Accord, ou le manque de conformité avec toute autre exigence de l'Accord pourrait entraîner la rétention des autorisations d'achat et serait pris en considération dans l'examen de nouveaux accords sous la PL 480 à moins qu'on ne porte remède à la situation. Si la violation se rapporte à des exportations interdites, le remède peut être un paiement en dollars au Gouvernement des Etats-Unis pour la valeur totale de la violation, ou l'achat et l'importation commerciale des Etats-Unis en utilisant les propres ressources du pays importateur d'une quantité équivalente à cet excédant d'exportation. Ces importations supplémentaires ne seront pas comprises dans les ORMH.

4. AUTORISATIONS D'ACHAT

Le Gouvernement de la République de Guinée prend note que les Autorisations d'Achat émises sous l'Accord inclueront des exigences pour que les appels d'offre pour les produits et l'affrètement soient soumis au "Foreign Agricultural Service, United States Department of Agriculture, Washington" pour être reçus et approuvés avant d'être délivrées aux offrants s'y intéressant. Le but principal

de cette exigence est de permettre à l'USDA d'assurer que les appels n'incluent pas de termes ou conditions qui contrarient les termes de l'Autorisation d'Achat et les règlements financiers de la PL 480. Une vérification préalable des appels donnera aux spécialistes de l'USDA l'opportunité de fournir un conseil et une assistance pour assurer un calendrier raisonnable pour la livraison des produits, afin de permettre un maximum de flexibilité pour harmoniser les contrats pour les produits et leur livraison.

VI. CONSIDERATIONS GENERALES

A. Avant la signature de l'Accord, le Gouvernement de la République de Guinée a informé l'Ambassade des Etats-Unis d'Amérique à Conakry des personnes ou agences du Gouvernement de la République de Guinée avec qui les représentants du Gouvernement des Etats-Unis peuvent s'entretenir des points suivants dont ils seront chargés

- 1) Les renseignements de l'arrivée et le déchargement des produits
- 2) marquage et identification des produits
- 3) la publicité des arrivées
- 4) les garanties de non-revente et non-transbordement
- 5) la conformité aux Obligations Relatives au Marché Habituel et aux limitations d'exportations
- 6) l'accumulation et la destination de fonds provenant des ventes suivant le crédit en monnaie locale convertible
- 7) l'accomplissement des mesures d'auto-assistance
- 8) la concordance des comptes, y compris les paiements du principal et de l'intérêt.

B) Le Gouvernement des Etats-Unis d'Amérique informe le

Gouvernement de la République de Guinée qu'il sera nécessaire de désigner une personne, ou plus, aux Etats-Unis pour consulter les représentants du Gouvernement des Etats-Unis au sujet des règlements et procédures qui s'appliquent à l'achat, au financement, aux informations, et au transport maritime, ceci à cause des difficultés qui peuvent surgir pendant l'exécution de toutes les dispositions de l'Accord. Ces consultations doivent être achevées avant l'émission de toute autorisation d'achat. Une personne désignée aux Etats-Unis devrait être autorisée à signer tous les documents pour la mise en œuvre de l'Accord.

C. En outre, le Gouvernement des Etats-Unis informe le Gouvernement de la République de Guinée que s'il contracte les services d'un individu ou une firme en tant que son agent, pour effectuer l'achat des produits et (ou) le transport maritime, cet agent doit être approuvé par le Département d'Agriculture des Etats-Unis. Une copie de l'Accord écrit entre le Gouvernement de Guinée et l'agent des Etats-Unis doit être soumise à l'USDA pour son approbation. Cette approbation doit être obtenue avant l'émission des Autorisations d'Achat concernées.

VII - LIVRAISON

A. En tenant compte de la responsabilité de l'Ambassade des Etats-Unis à Conakry, agissant pour le Gouvernement des Etats-Unis d'Amérique, en vue de la mise en œuvre de l'Accord, le Gouvernement de la République de Guinée convient d'assurer l'accès au port de Conakry pendant la durée de la livraison des produits sous l'Accord, au personnel de l'Ambassade chargé de la responsabilité opérationnelle pour l'Accord (y compris l'Attaché Economique et Commercial, le Consul, et le représentant de l'AID)

B. En ce qui concerne la livraison d'huile de soya sous l'Accord, et en considérant les difficultés dans le passé l'Ambassade des Etats-Unis d'Amérique suggère que cette huile soit livrée en fûts scellés.

C. Le Gouvernement de la République de Guinée reconnaît le besoin d'un déchargement expéditif des produits fournis sous l'Accord et à cette fin, comme stipulé au point VI (B) ci-dessus, formulera un calendrier de livraison pour tirer le profit le plus avantageux de l'utilisation du port, du transport, et de l'emmagasinage. Le déchargement devra être effectué aussi vite que possible et si les conditions climatiques le permettent, en travaillant 24 heures sur 24. En outre, une attention spéciale sera portée sur les déchargements afin d'assurer leur intégrité contre toute perte.

VIII - CONCLUSION

Ce Mémoandum d'Entente entrera en vigueur après la signature de l'Accord entre le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République de Guinée en Vue de la Vente de Produits Agricoles. Signé le 21 avril 1976, à Conakry, République de Guinée.

[Signature]
Pour le Gouvernement de la
République de Guinée,
M. Mountaga KEITA, Directeur
Division A.I.D., Comité d'Etat
de Coopération avec les Pays
d'Amérique et les Organismes
Internationaux

[Signature]
Pour le Gouvernement
des Etats-Unis d'Amérique,
M. David Bryan DLOUHY,
Attaché Commercial et
Economique de l'Ambassade
des Etats-Unis d'Amérique



INDONESIA

Agricultural Commodities

Agreement amending the agreement of April 19, 1976, as amended.

Effectuated by exchange of notes

Signed at Jakarta September 8 and 11, 1976;

Entered into force September 11, 1976.

The American Ambassador to the Indonesian Minister of Foreign Affairs

No. 793

JAKARTA, September 8, 1976

EXCELLENCY.

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, and June 15, 1976, [^] respectively, and to propose that Part II, Particular Provisions, be further amended as follows to increase the rice component of the agreement.

Item I, Commodity Table: Under appropriate column headings make following changes: On line titled "Rice" change "150,000" to "350,000" and "44.0" to "87.6" On line titled "Total" change "\$59.6" to "\$103.2"

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply

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

DAVID D NEWSOM

His Excellency

ADAM MALIK,

Minister of Foreign Affairs

Jakarta

¹TIAS 8308, *ante*, p. 2279.

The Indonesian Minister of Foreign Affairs to the American AmbassadorMINISTER FOR FOREIGN AFFAIRS
REPUBLIC OF INDONESIA

Jakarta, September 11, 1976.

No. D. 0859 /76/01.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of September 8, 1976 which reads as follows

"I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, and June 15, 1976 respectively, and to propose that Part II, Particular Provisions, be further amended as follows to increase the rice component of the agreement.

Item I, Commodity Table: Under appropriate column headings make following changes: On line titled "Rice" change "150,000" to "350,000" and "44.0" to "87.6" On line titled "Total" change "\$59.6" to "\$103.2"

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

Accept, Excellency, the renewed assurance of my highest consideration."

I have the honour to confirm that the proposed amendments as described in your Note are acceptable to my Government and to agree that Your Excellency's Note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the date of this Note.

Please, Excellency, accept the renewed assurance of my highest consideration.

ADAM MALIK
Minister of Foreign Affairs

His Excellency
David Newsom,
Ambassador of the United
States of America
JAKARTA.

REPUBLIC OF KOREA
Agricultural Commodities

Agreement amending the agreement of February 18, 1976, as amended.

Effectuated by exchange of notes

*Signed at Seoul August 9, 1976;
Entered into force August 9, 1976.*

The American Chargé d'Affaires ad interim to the Korean Deputy Prime Minister and Minister, Economic Planning Board

EMBASSY OF THE
UNITED STATES OF AMERICA

AUGUST 9, 1976

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on February 18, 1976, as amended on April 9, 1976, [¹] and to propose that Part II, Particular Provisions, be further amended as follows:

ITEM I. Commodity Table. Under the appropriate column headings make the following changes:

On the line entitled "Wheat/Wheat Flour", change "400,000" to "500,000", and "\$58.7" to "\$72.7"

On the line entitled, "Total", change "\$104.7" to "\$118.7".

ITEM II. Payment Terms: Under Paragraph 2, Currency Use Payment, change so much of Sub-Paragraph (1) as reads "\$76.8" to "\$90.8"

¹ TIAS 8261, *ante*, p. 1527.

All other terms and conditions of the February 18, 1976, Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments, effective on the date of your Note in reply.

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

THOMAS STERN

His Excellency

NAM DUCK WOO

*Deputy Prime Minister and
Minister, Economic Planning Board
of the Republic of Korea*

The Korean Deputy Prime Minister and Minister, Economic Planning Board, to the American Chargé d'Affaires ad interim

ECONOMIC PLANNING BOARD
REPUBLIC OF KOREA
SEOUL, KOREA

August 9, 1976

Excellency:

I have the honor to refer to your proposal of today's date which reads as follows:

"I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on February 18, 1976, as amended on April 9, 1976, and to propose that Part II, Particular Provisions, be further amended as follows:

Item I. Commodity Table: Under the appropriate column headings make the following changes:

On the line entitled "Wheat/Wheat Flour", change "400,000" to "500,000"; and "\$58.7" to "\$72.7".

On the line entitled, "Total", change "\$104.7" to "\$118.7".

Item II. Payment Terms: Under Paragraph 2, Currency Use Payment, change so much of Sub-Paragraph (1) as reads "\$76.8" to "\$90.8".

All other terms and conditions of the February 18, 1976, Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments, effective on the date of your Note in reply.

Accept, Excellency, the renewed assurance of my highest consideration."

TIAS 8380

I have the honor to inform you that my Government concurs
in the foregoing proposal.

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



Nam Duck Woo
Deputy Prime Minister and
Minister, Economic Planning Board
of the Republic of Korea

PORTUGAL

Agricultural Commodities

Agreement amending the agreement of March 18, 1976, as amended.

Effectuated by exchange of notes

*Signed at Lisbon August 13, 1976;
Entered into force August 13, 1976.*

The American Ambassador to the Portuguese Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
LISBON, August 13, 1976

No. 135
EXCELLENCY.

I have the honor to refer to the Public Law 480, Title I, Agricultural Sales Agreement, which was signed by representatives of our two governments on March 18, 1976, as amended April 30, [¹] and propose that agreement be further amended as follows:

In Part II, Item I, Commodity Table: (1) under the appropriate columns, delete "Rice, 1976, 50,000, \$15,000" and insert "Rice, 1976 plus July 1 through September 30, 1976, 70,000, \$20,000"; and (2) under Maximum Export Market Value, delete "\$20,000" and insert "\$25,000." In Item III, Usual Marketing Table: (1) under the Import Period column for Rice, delete "1976" and insert "1976 plus July 1 through September 30, 1976." In Item IV, Export Limitations, sub-paragraph A, first line, after the words, "U.S. FY 1976", insert "plus July 1 through September 30, 1976." In Item V, Self-Help Measures, I propose a new paragraph A.7, as follows: "Provide high-quality breeding stock to foster and expand the Portuguese Dairy Industry in order to augment production and improve marketing possibilities, especially in areas populated by the lowest income sectors." All other terms and conditions of the March 18, 1976 Title I Agreement, as amended April 30, remain the same.

¹ TIAS 8264, *ante*, p. 1564.

I propose that this note and your reply concurring therein constitute agreement between our two governments, effective the date of your note in reply.

Accept, Excellency, the assurances of my highest consideration.

FRANK C. CARLUCCI

His Excellency

Dr. JOSE MANUEL DE MEDEIROS FERREIRA,
Minister of Foreign Affairs,
Republic of Portugal.

The Portuguese Minister of Foreign Affairs to the American Ambassador

AUGUST 13, 1976

EXCELLENCY

I have the honour to acknowledge receipt of your note of August 13, 1976, the text of which is as follows:

"I have the honour to refer to the Public Law 480, Title I, Agricultural Sales Agreement, which was signed by representatives of our two governments on March 18, 1976, as amended April 30, and propose that agreement be further amended as follows:

In Part II, Item I, Commodity Table: (1) under the appropriate columns, delete "Rice, 1976, 50,000, \$15,000" and insert "Rice, 1976 plus July 1 through September 30, 1976, 70,000, \$20,000"; and (2) under Maximum Export Market Value, delete "\$20,000" and insert "\$25,000." In Item III, Usual Marketing Table: (1) under the Import Period column for Rice, delete "1976" and insert "1976 plus July 1 through September 30, 1976." In Item IV, Export Limitations, subparagraph A, first line, after the words "U.S. FY 1976", insert "plus July 1 through September 30, 1976". In Item V, Self-Help Measures, I propose a new paragraph A.7, as follows: Provide high quality breeding stock to foster and expand the Portuguese Dairy Industry in order to augment production and improve marketing possibilities, especially in areas populated by the lowest income sectors." All other terms and conditions of the March 18, 1976 Title I Agreement, as amended April 30, remain the same.

I propose that this note and your reply concurring therein constitute agreement between our two governments, effective the date of your note in reply "

I confirm that the Government of Portugal agrees to the proposal set forth in your note and that Your Excellency's note and this reply constitute an agreement between our Governments.

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

JOSE MEDEIROS FERREIRA

His Excellency

FRANK CHARLES CARLUCCI

Ambassador of the United States of America

Lisboa

ISRAEL
Agricultural Commodities

*Agreement signed at Washington September 30, 1976;
Entered into force September 30, 1976.*

*And amending agreement
Effectuated by exchange of notes
Signed at Washington October 12, 1976;
Entered into force October 12, 1976.*

**AGREEMENT BETWEEN THE GOVERNMENT OF THE
UNITED STATES OF AMERICA AND THE GOVERNMENT
OF ISRAEL FOR SALES OF AGRICULTURAL COMMODI-
TIES**

The Government of the United States of America and the Government of Israel have agreed to the sales of agricultural commodities specified below. This agreement shall consist of the Preamble, Parts I and III of the agreement signed on December 16, 1974,^[1] together with the following Part II:

PART II - PARTICULAR PROVISIONS

ITEM I. Commodity Table:

<u>Commodity</u>	<u>Supply Period</u> (U.S. Calendar Year)	<u>Approximate Maximum Quantity</u> (Metric Tons)	<u>Maximum Export Market Value</u> (Millions)
Wheat/Wheat Flour (grain basis)	1976	25,000	\$3.8

ITEM II. Payment Terms:

Dollar Credit

1. Initial Payment - 5 percent
2. Currency Use Payment - 5 percent for Section 104(a) purposes
3. Number of Installment Payments - 19
4. Amount of Each Installment Payment - approximately equal annual amounts

¹ TIAS 7978; 25 UST 3141.

5. Due Date of First Installment - two years after 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:

<u>Commodity</u>	<u>Import Period</u> (U.S. Calendar Year)	<u>Usual Marketing Requirements</u>
Wheat/Wheat Flour (grain equivalent basis)	1976	146,000 MT

ITEM IV. Export Limitations:

- A. The export limitation period shall be United States Calendar Year 1976 or any subsequent United States Calendar 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, and bulgur (or the same product under a different name).
- C. Permissible Exports:

<u>Commodity</u>	<u>Quantity</u>	<u>Period during which such exports are permissible</u>
Seed Wheat	Up to 5,000 MT	U.S. Calendar Year 1976

ITEM V. Self-Help Measures:

- A. 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.
- B. The Government of Israel, in maintaining a policy of increased agricultural production will continue self-help activities in the following areas.
 1. Improve the marketing infrastructure for both inputs and products;
 2. Improve the storage and handling system for grains at port and inland locations;
 3. Improve yields of wheat and other grains through continued genetic and other research, with emphasis on arid areas;
 4. Improve water management and exploit available water resources.

ITEM VI. Economic Development Purposes For 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 the agreement and the agriculture and economic development sectors: Agriculture and water resources.

B. In the use of proceeds for these purposes, emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement. DONE at Washington, in duplicate, this thirtieth day of September, 1976.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

ARTHUR R DAY

FOR THE GOVERNMENT OF ISRAEL:

Z SHER

[AMENDING AGREEMENT]

The Secretary of State to the Israeli Ambassador

DEPARTMENT OF STATE
WASHINGTON

EXCELLENCY:

I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two governments on September 30, 1976, and to propose the agreement be amended as follows: (A) In Part II, Item I—entitled Commodity Table—for wheat/wheat flour, under the appropriate columns—delete "25,000" and insert "95,000" and delete "\$3.8" and insert "\$11.2" and (B) in Part II, Item III—Usual Marketing Table—under the column entitled Usual Marketing Requirements—delete "146,000 metric tons" and insert "160,000 metric tons."

All other terms and conditions of the September 30, 1976, Title I agreement remain the same.

If the foregoing is acceptable to your government, I propose that this note and your reply concurring therein constitute an agreement between our two governments, effective the date of your note in reply.

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

For the Secretary of State:

ARTHUR R DAY

His Excellency

SIMCHA DINITZ,

Ambassador of Israel.

The Israeli Economic Minister to the Secretary of State

EMBASSY OF ISRAEL
WASHINGTON, D.C.

OCTOBER 12, 1976

SIR:

I have the honor to refer to the Department Note of today's date in which an amendment to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two governments on September 30, 1976 is proposed as follows:

(A) In Part II, Item I—entitled Commodity Table—for wheat/wheat flour, under the appropriate columns—delete "25,000" and insert "95,000" and delete "\$3.8" and insert "\$11.2" and (B) in Part II, Item III—Usual Marketing Table—under the column entitled Usual Marketing Requirements—delete "146,000 metric tons" and insert "160,000 metric tons."

All other terms and conditions of the September 30, 1976, Agreement remain the same.

The foregoing amendment is acceptable to the Government of Israel, and we concur that this constitutes an Agreement between our two Governments to enter into force on this date.

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

Z SHER

The Honorable

Dr. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

**MULTILATERAL
Inter-American Development Bank**

*Amendments to the agreement of April 8, 1959, as amended.
Approved by the Board of Governors of the Inter-American De-
velopment Bank June 1, 1976;
Entered into force June 1, 1976.*

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[Added by the Department of State]

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INTER-AMERICAN DEVELOPMENT BANK

RESOLUTION AG-9/76

AMENDMENTS TO THE AGREEMENT ESTABLISHING THE BANK WITH RESPECT
TO THE CREATION OF THE INTER-REGIONAL CAPITAL STOCK OF THE
BANK AND TO RELATED MATTERS

WHEREAS Article II, Section 1(b), of the Agreement Establishing the Bank¹ provides that nonregional countries which are members of the International Monetary Fund, and Switzerland, may be admitted as members to the Bank under such general rules as the Board of Governors shall have established;

WHEREAS certain nonregional countries have expressed their interest in becoming members of the Bank;

WHEREAS the Board of Governors has concluded that it would be desirable to admit such nonregional countries as members of the Bank and that their admission should be accomplished through (i) the amendment of the Agreement Establishing the Bank to provide, among other matters, for the creation of a new category of capital which shall be denominated inter-regional capital stock of the Bank; (ii) the adoption of general rules governing the admission of nonregional member countries, including provisions for an increase in the resources of the Fund for Special Operations; and (iii) an increase in the authorized ordinary capital stock of the Bank; and

WHEREAS Article XII of the Agreement Establishing the Bank provides for the process of amending the Agreement,

The Board of Governors

RESOLVES THAT:

SECTION 1. Amendments

The Agreement Establishing the Bank shall be amended as follows:

1. ARTICLE I, Section 1, shall read:

"Section 1. Purpose

The purpose of the Bank shall be to contribute to the acceleration of the process of economic and social development of the regional developing member countries, individually and collectively."

¹TIAS 4397, 6920, 6591, 7437; 10 UST 3073; 21 UST 1570; 19 UST 7381; 23 UST 2455. [Footnote added by the Department of State.]

2. ARTICLE II, Section 1(b), shall read:

"(b) Membership shall be open to other members of the Organization of American States and to Canada, Bahamas and Guyana, at such times and in accordance with such terms as the Bank may determine.

Nonregional countries which are members of the International Monetary Fund, and Switzerland, may also be admitted to the Bank, at such times, and under such general rules as the Board of Governors shall have established. Such general rules may be amended only by decision of the Board of Governors by a two-thirds majority of the total number of governors, including two thirds of the governors of nonregional members, representing not less than three fourths of the total voting power of the member countries."

3. ARTICLE II shall be amended by adding a new section after Section 1, as follows:

"Section 1A. Categories of Resources

The resources of the Bank shall consist of the ordinary capital resources, provided for in this article, and the inter-regional capital resources, provided for in Article IIA, and the resources of the Fund for Special Operations established by Article IV (hereinafter called the Fund)."

4. ARTICLE II, Section 2, shall read:

"Section 2. Authorized Ordinary Capital

(a) The authorized ordinary capital stock of the Bank initially shall be in the amount of eight hundred fifty million dollars (\$850,000,000) in terms of United States dollars of the weight and fineness in effect on January 1, 1959 and shall be divided into 85,000 shares having a par value of \$10,000 each, which shall be available for subscription by members in accordance with Section 3 of this article.

(b) The authorized ordinary capital stock shall be divided into paid-in shares and callable shares. The equivalent of four hundred million dollars (\$400,000,000) shall be paid-in, and four hundred fifty million dollars (\$450,000,000) shall be callable for the purposes specified in Section 4(a)(ii) of this article.

(c) The ordinary capital stock indicated in (a) of this section shall be increased by five hundred million dollars

(\$500,000,000) in terms of United States dollars of the weight and fineness existing on January 1, 1959, provided that:

- (i) the date for payment of all subscriptions established in accordance with Section 4 of this article shall have passed; and
- (ii) a regular or special meeting of the Board of Governors, held as soon as possible after the date referred to in subparagraph (i) of this paragraph, shall have approved the above-mentioned increase of five hundred million dollars (\$500,000,000) by a three-fourths majority of the total voting power of the member countries.

(d) The increase in capital stock provided for in the preceding paragraph shall be in the form of callable capital.

(e) Notwithstanding the provisions of paragraphs (c) and (d) of this section and subject to the provisions of Article VIII, Section 4(b), the authorized ordinary capital stock may be increased when the Board of Governors deems it advisable and in a manner agreed upon by a three-fourths majority of the total voting power of the member countries, including a two-thirds majority of the governors of regional members.

(f) Whenever the authorized inter-regional capital stock is increased pursuant to Article IIA, Section 1(c), and a member exercises the option provided for in Article II, Section 3(f), ordinary capital stock shall be increased in the amount required to allow such member to exercise that option and the inter-regional capital stock available for subscription by that member shall be reduced in an equivalent amount and be appropriately cancelled."

5. ARTICLE II, Section 3, shall read:

"Section 3. Subscription of Shares

(a) Each regional member shall subscribe to shares of the ordinary capital stock of the Bank, and nonregional members may subscribe thereto in accordance with the terms of paragraph (b) of this section and in accordance with such terms as the Board of Governors shall establish. The number of shares to be subscribed by the original members shall be those set forth in Annex A of this Agreement, which specifies the obligation of each member as to both paid-in and callable capital. The number of shares to be subscribed by other members shall be determined by the Bank.

(b) In case of an increase in ordinary capital pursuant to Section 2, paragraph (c) or (e) of this article, or an increase

in inter-regional capital pursuant to Article IIA, Section 1(c), or an increase in both ordinary and inter-regional capital, each member shall have a right to subscribe, under such conditions as the Bank shall decide, to a proportion of the increase of stock equivalent to the proportion which its stock theretofore subscribed bears to the total capital stock of the Bank. No member, however, shall be obligated to subscribe to any part of such increased capital.

(c) Shares of ordinary capital stock initially subscribed by original members shall be issued at par. Other shares shall be issued at par unless the Bank decides in special circumstances to issue them on other terms.

(d) The liability of the member countries on ordinary capital shares shall be limited to the unpaid portion of their issue price.

(e) Shares of ordinary capital stock shall not be pledged or encumbered in any manner, and they shall be transferable only to the Bank.

(f) Any member having the right to subscribe to the inter-regional capital stock of the Bank under paragraph (b) of this section, shall have the option of waiving that right and subscribing in lieu thereof to an equivalent amount of ordinary capital stock."

6. ARTICLE II, Section 4(a), shall be amended as follows:

- (1) In the preambular part the phrase "capital stock" shall read "ordinary capital stock".
- (2) In the first sentence of subparagraph (ii) the phrase "capital shares" shall read "ordinary capital shares", and the reference to "Article III, Section 4 (ii) and (iii)" shall be changed to "Article III, Section 4 (ii) and (v)".

7. ARTICLE II, Section 5, shall read:

"Section 5. Ordinary Capital Resources

As used in this Agreement, the term "ordinary capital resources" of the Bank shall be deemed to include the following:

- (i) authorized ordinary capital, including both paid-in and callable shares, subscribed pursuant to Sections 2 and 3 of this article;

- (ii) all funds raised by borrowings under the authority of Article VII, Section 1(i) to which the commitment set forth in Section 4(a)(iii) of this article is applicable;
 - (iii) all funds received in repayment of loans made with the resources indicated in (i) and (ii) of this section;
 - (iv) all income derived from loans made from the aforementioned funds or from guarantees to which the commitment set forth in Section 4(a)(iii) of this article is applicable; and
 - (v) all other income derived from any of the resources mentioned above."
8. ARTICLE IIA shall be added to the Agreement after ARTICLE II, as follows:
- "ARTICLE IIA. INTER-REGIONAL CAPITAL OF THE BANK
- Section 1. Authorized Inter-regional Capital
- (a) The initial authorized inter-regional capital stock of the Bank shall be four hundred twenty million dollars (\$420,000,000) in terms of United States dollars of the weight and fineness in effect on January 1, 1959 and shall be divided into 42,000 shares having a par value of \$10,000 each, which shall be available for subscription by members in accordance with Section 2 of this article.
 - (b) The authorized inter-regional capital stock shall be divided into paid-in shares and callable shares. Of the initial authorized inter-regional capital stock, the equivalent of seventy million dollars (\$70,000,000) shall be paid-in, and three hundred fifty million dollars (\$350,000,000) shall be callable for the purposes specified in Section 3(c) of this article.
 - (c) Subject to the provisions of Article VIII, Section 4(b), the authorized inter-regional capital stock may be increased when the Board of Governors deems it advisable and in a manner agreed upon by a two-thirds majority of the total number of governors, including two thirds of the governors of regional members, representing not less than three fourths of the total voting power of the member countries.
 - (d) Whenever the authorized ordinary capital stock is increased pursuant to Article II, Section 2 (e), and a member exercises the option provided for in Article IIA, Section 2(g), inter-regional capital stock shall be increased in the amount required to allow such member to exercise that option and the ordinary capital stock available for subscription by that member shall be reduced in an equivalent amount and be appropriately cancelled.

Section 2. Subscription of Shares of Inter-regional Capital

(a) Each nonregional member shall subscribe to shares of the inter-regional capital stock, and regional members may subscribe thereto in accordance with the terms of Article II, Section 3(b), and in accordance with such terms as the Board of Governors shall establish, subject to the provisions of this section.

(b) The subscription of each original nonregional member shall be such number of shares of paid-in and callable inter-regional capital stock as may be determined by the Bank. The subscription, including the manner of its payment, of any new nonregional member shall be determined by the Bank with due regard to the conditions of the existing subscriptions.

(c) Regional members may subscribe to the inter-regional capital stock on such terms as the Bank may determine, giving due regard to the conditions established for subscriptions by nonregional members.

(d) Shares of the initial authorized inter-regional capital stock shall be issued at par. Other shares shall be issued at par unless the Bank decides in special circumstances to issue them on other terms.

(e) The liability of the member countries on inter-regional capital shares shall be limited to the unpaid portion of their issue price.

(f) Shares of inter-regional capital stock shall not be pledged or encumbered in any manner, and they shall be transferable only to the Bank.

(g) Any member having the right to subscribe to the ordinary capital stock of the Bank under Article II, Section 3(b), shall have the option of waiving that right and subscribing in lieu thereof to an equivalent amount of inter-regional capital stock.

Section 3. Payment of Subscriptions to Inter-regional Capital

(a) Payment of the amount subscribed by each country to the paid-in inter-regional capital stock shall be made entirely in the currency of the respective member, which shall make arrangements satisfactory to the Bank to assure that, subject to the provisions of Article V, Section 1(c), its currency shall be freely convertible into the currencies of other countries for the purposes of the Bank's operations.

(b) Each payment of a member under paragraph (a) of this section shall be in such amount as, in the opinion of the Bank, is equivalent to the full value in terms of United States dollars of the weight and fineness in effect on January 1, 1959, of the portion of the subscription being paid. The initial payment shall be in such amount as the

member considers appropriate hereunder but shall be subject to such adjustment, to be effected within 60 days of the date on which the payment was due, as the Bank shall determine to be necessary to constitute the full dollar value equivalent as provided in this paragraph.

(c) The callable portion of the subscription for inter-regional capital shares of the Bank shall be subject to call only when required to meet the obligations of the Bank created under Article III, Section 4(iv) and (v), on borrowings of funds for inclusion in the Bank's inter-regional capital resources or guarantees chargeable to such resources. In the event of such a call, payment may be made at the option of the member either in fully convertible currency of a member country or in the currency required to discharge the obligations of the Bank for the purpose for which the call is made.

Calls on unpaid subscriptions of inter-regional callable capital shall be uniform in percentage on all such shares.

Section 4. Inter-regional Capital Resources

As used in this Agreement, the term "inter-regional capital resources" of the Bank shall be deemed to include the following:

- (i) Authorized inter-regional capital, including both paid-in and callable shares, subscribed pursuant to Section 2 of this article;
- (ii) all funds raised by borrowings under the authority of Article VII, Section 1(i) to which the commitment set forth in Section 3(c) of this article is applicable;
- (iii) all funds received in repayment of loans made with the resources indicated in (i) and (ii) of this section;
- (iv) all income derived from loans made from the aforementioned funds or from guarantees to which the commitment set forth in Section 3(c) of this article is applicable; and
- (v) all other income derived from any of the resources mentioned above."

9. ARTICLE III, Section 2, shall read:

"Section 2. Categories of Operations

- (a) The operations of the Bank shall be divided into ordinary operations, inter-regional resources operations, and special operations.

(b) The ordinary operations shall be those financed from the Bank's ordinary capital resources, as defined in Article II, Section 5. The inter-regional resources operations shall be those financed from the Bank's inter-regional capital resources, as defined in Article IIA, Section 4. Both types of operations shall relate exclusively to loans made, participated in, or guaranteed by the Bank which are repayable only in the respective currency or currencies in which the loans were made. Such operations shall be subject to the terms and conditions that the Bank deems advisable, consistent with the provisions of this Agreement.

(c) The special operations shall be those financed from the resources of the Fund in accordance with the provisions of Article IV."

10. ARTICLE III, Section 3, shall read:

"Section 3. Basic Principle of Separation

(a) Subject to the amending provisions of Article XII(a)(ii), the ordinary capital resources, as defined in Article II, Section 5, the inter-regional capital resources, as defined in Article IIA, Section 4, and the resources of the Fund, as defined in Article IV, Section 3(h), shall at all times and in all respects be held, used, obligated, invested, or otherwise disposed of entirely separate from each other.

(b) The ordinary capital resources and the inter-regional capital resources shall under no circumstances be charged with, or used to discharge, obligations, liabilities or losses arising out of operations for which the resources of the Fund were originally used or committed.

(c) The ordinary capital resources shall under no circumstances be charged with, or used to discharge, obligations, liabilities or losses chargeable to the inter-regional capital resources, and, except as provided in Article VII, Section 3(d), the inter-regional capital resources shall under no circumstances be charged with, or used to discharge, obligations, liabilities or losses chargeable to the ordinary capital resources.

(d) The financial statements of the Bank shall show separately the ordinary operations, the inter-regional resources operations, and the special operations, and the Bank shall establish such other administrative rules as may be necessary to ensure the effective separation of the three types of operations.
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(e) Expenses pertaining directly to ordinary operations shall be charged to the ordinary capital resources. Expenses pertaining directly to inter-regional resources operations shall be charged to the inter-regional capital resources. Expenses pertaining directly to special operations shall be charged to the resources of the Fund. Other expenses shall be charged as the Bank determines."

11. ARTICLE III, Section 4(i) through (v), inclusive, shall read:

- "(i) by making or participating in direct loans with funds corresponding to the unimpaired paid-in ordinary capital and, except as provided in Section 13 of this article, to its reserves and undistributed surplus; or with the unimpaired resources of the Fund;
- (ii) by making or participating in direct loans with funds raised by the Bank in capital markets, or borrowed or acquired in any other manner, for inclusion in the ordinary capital resources of the Bank or the resources of the Fund;
- (iii) by making or participating in direct loans with funds corresponding to the unimpaired paid-in inter-regional capital, including any reserves or undistributed surplus pertaining to such resources;
- (iv) by making or participating in direct loans with funds raised by the Bank in capital markets, or borrowed or acquired in any other manner, for inclusion in the inter-regional capital resources of the Bank; and
- (v) by guaranteeing, with the ordinary capital resources, the inter-regional capital resources, or the resources of the Fund, in whole or in part loans made, except in special cases, by private investors."

12. ARTICLE III, Section 5, shall read:

"Section 5. Limitations on Operations

(a) The total amount outstanding of loans and guarantees made by the Bank in its ordinary operations shall not at any time exceed the total amount of the unimpaired subscribed ordinary capital of the Bank, plus the unimpaired reserves and surplus included in the ordinary capital resources of the Bank, as defined in Article II, Section 5, exclusive of income assigned to the special reserve established pursuant to Section 13 of this article and other income of the ordinary capital resources assigned by decision of the Board of Governors to reserves not available for loans or guarantees.

(b) The total amount outstanding of loans and guarantees made by the Bank in its inter-regional resources operations shall not at any time exceed the total amount of the unimpaired subscribed inter-regional capital of the Bank, plus the unimpaired reserves and surplus included in the inter-regional capital resources of the Bank, as defined in Article IIA, Section 4, exclusive of income of the inter-regional capital resources assigned by decision of the Board of Governors to reserves not available for loans or guarantees.

(c) In the case of loans made out of funds borrowed by the Bank to which the obligations provided for in Article II, Section 4(a)(ii), are applicable, the total amount of principal outstanding and payable to the Bank in a specific currency shall at no time exceed the total amount of principal of the outstanding borrowings by the Bank for inclusion in its ordinary capital resources that are payable in the same currency.

(d) In the case of loans made out of funds borrowed by the Bank to which the obligations provided for in Article IIA, Section 3(c), are applicable, the total amount of principal outstanding and payable to the Bank in a specific currency shall at no time exceed the total amount of principal of the outstanding borrowings by the Bank for inclusion in its inter-regional capital resources that are payable in the same currency."

13. ARTICLE III, Section 9 (a), shall read:

"(a) Except as provided in Article V, Section 1, the Bank shall impose no condition that the proceeds of a loan shall be spent in the territory of any particular country nor that such proceeds shall not be spent in the territories of any particular member or members; provided, however, that with respect to any increase of the resources of the Bank the question of restriction of procurement by the Bank or any member with regard to those members which do not participate in an increase under the terms and conditions specified by the Board of Governors may be determined by the Board of Governors."

14. ARTICLE III, Section 10, introductory paragraph, shall read:

"Direct loan contracts made by the Bank in conformity with Section 4 of this article shall establish:"

15. ARTICLE IV, Section 2, shall read:

"Section 2. Applicable Provisions"

The Fund shall be governed by the provisions of the present article and all other provisions of this Agreement, excepting those inconsistent with the provisions of the present article and those expressly applying only to other operations of the Bank."

16. ARTICLE IV, Section 3(b), shall read:

"(b) Members of the Organization of American States that join the Bank after the date specified in Article XV, Section 1(a), Canada, Bahamas and Guyana, and countries that are admitted in accordance with Article II, Section 1 (b) shall contribute to the Fund with such quotas, and under such terms, as may be determined by the Bank."

17. ARTICLE IV, Section 3(g), shall read:

"(g) The resources of the Fund shall be increased through additional contributions by the members when the Board of Governors considers it advisable by a three-fourths majority of the total voting power of the member countries. The provisions of Article II, Section 3(b), shall apply to such increases, in terms of the proportion between the quota in effect for each member and the total amount of the resources of the Fund contributed by members. No member, however, shall be obligated to contribute any part of such increase."

18. ARTICLE IV, Section 3 (h)(ii), shall read:

"(ii) all funds raised by borrowing to which the commitments stipulated in Article II, Section 4(a)(ii), and Article IIA, Section 3(c), are not applicable, i.e., those that are specifically chargeable to the resources of the Fund;"

19. ARTICLE IV, Section 8(c), shall read:

"(c) In the operations of the Fund the Bank shall utilize to the fullest extent possible the same personnel, experts, installations, offices, equipment, and services as it uses for its other operations."

20. ARTICLE IV, Section 9(a), shall read:

"(a) In making decisions concerning operations of the Fund, each member country of the Bank shall have the voting power in the Board of Governors accorded to it pursuant to Article VIII, Section 4(a) and (c), and each Director shall have the voting power in the Board of Executive Directors accorded to him pursuant to Article VIII, Section 4(a) and (d)."

21. ARTICLE IV, Section 12, shall read:

"Section 12. Suspension and Termination

The provisions of Article X also shall apply to the Fund with substitution of terms relating to the Fund and its resources and respective creditors for those relating to the Bank and its capital resources and respective creditors."

22. ARTICLE V, Section 1, shall read:

"Section 1. Use of Currencies

(a) The currency of any member held by the Bank in its ordinary capital resources, in its inter-regional capital resources, or in the resources of the Fund, however acquired, may be used by the

Bank and by any recipient from the Bank, without restriction by the member, to make payments for goods and services produced in the territory of such member.

(b) Members may not maintain or impose restrictions of any kind upon the use by the Bank or by any recipient from the Bank, for payments in any country, of the following:

- (i) gold and dollars received by the Bank in payment of the 50 per cent portion of each member's subscription to shares of the Bank's ordinary capital and of the 50 per cent portion of each member's quota for contribution to the Fund, pursuant to the provisions of Article II and Article IV, respectively, and currency received by the Bank in payment of the equivalent portion of each member's subscription to shares of the inter-regional capital pursuant to the provisions of Article IIA;
 - (ii) currencies of members purchased with the resources referred to in (i) of this paragraph;
 - (iii) currencies obtained by borrowings, pursuant to the provisions of Article VII, Section 1(i), for inclusion in the capital resources of the Bank;
 - (iv) gold and dollars received by the Bank in payment on account of principal, interest, and other charges, of loans made from the gold and dollar funds referred to in (i) of this paragraph; currencies received by the Bank in payment on account of principal, interest, and other charges, of loans made from the portion of the inter-regional capital referred to in (i) of this paragraph; currencies received in payment of principal, interest, and other charges, of loans made from currencies referred to in (ii) and (iii) of this paragraph; and currencies received in payment of commissions and fees on all guarantees made by the Bank; and
 - (v) currencies, other than the member's own currency, received from the Bank pursuant to Article VII, Section 4(d), and Article IV, Section 10, in distribution of net profits.
- (c) A member's currency held by the Bank, whether in its ordinary capital resources, in its inter-regional capital resources, or in the resources of the Fund, not covered by paragraph (b) of this section, also may be used by the Bank or any recipient from the Bank for payments in any country without restriction of any kind, unless the member notifies the Bank of its desire that such currency or a portion thereof be restricted to the uses specified in paragraph (a) of this section.

(d) Members may not place any restrictions on the holding and use by the Bank, for making amortization payments or anticipating payment of, or repurchasing part or all of, the Bank's own obligations, of currencies received by the Bank in repayment of direct loans made from borrowed funds included in the ordinary or inter-regional capital resources of the Bank.

(e) Gold or currency held by the Bank in its ordinary capital resources, in its inter-regional capital resources, or in the resources of the Fund shall not be used by the Bank to purchase other currencies unless authorized by a two-thirds majority of the total voting power of the member countries. Any currencies purchased pursuant to the provisions of this paragraph shall not be subject to maintenance of value under Section 3 of this article."

23. ARTICLE V, Section 3, shall read:

"Section 3. Maintenance of Value of the Currency Holdings of the Bank

(a) Whenever the par value in the International Monetary Fund of a member's currency is reduced or the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value of all the currency of the member held by the Bank in its ordinary capital resources, in its inter-regional capital resources, or in the resources of the Fund, excepting currency derived from borrowings by the Bank. The standard of value for this purpose shall be the United States dollar of the weight and fineness in effect on January 1, 1959.

(b) Whenever the par value in the International Monetary Fund of a member's currency is increased or the foreign exchange value of such member's currency has, in the opinion of the Bank, appreciated to a significant extent, the Bank shall return to such member within a reasonable time an amount of that member's currency equal to the increase in the value of the amount of such currency which is held by the Bank in its ordinary capital resources, in its inter-regional capital resources, or in the resources of the Fund, excepting currency derived from borrowings by the Bank. The standard of value for this purpose shall be the same as that established in the preceding paragraph.

(c) The provisions of this section may be waived by the Bank when a uniform proportionate change in the par value of the currencies of all the Bank's members is made by the International Monetary Fund.

(d) Notwithstanding any other provisions of this section, the terms and conditions of any increase in the resources of the Fund pursuant to Article IV, Section 3(g), may include maintenance of value provisions other than those provided for in this section which would apply to the resources of the Fund contributed by such increase."

24. ARTICLE V, Section 4, shall read:

"Section 4. Methods of Conserving Currencies

The Bank shall accept from any member promissory notes or similar securities issued by the government of the member, or by the depositary designated by such member, in lieu of any part of the currency of the member representing the 50 per cent portion of its subscription to the Bank's authorized ordinary capital and the 50 per cent portion of its subscription to the resources of the Fund, which, pursuant to the provisions of Article II and Article IV, respectively, are payable by each member in its national currency, provided such currency is not required by the Bank for the conduct of its operations. Such notes or securities shall be non-negotiable, non-interest-bearing, and payable to the Bank at their par value on demand. On the same conditions, the Bank shall also accept such notes or securities in lieu of any part of the subscription of a member to the inter-regional capital with respect to which part the terms of the subscription do not require payment in cash."

25. ARTICLE VI, Section 3(b), shall read:

"(b) The expenses of providing technical assistance not paid by the recipients shall be met from the net income of the ordinary capital resources, of the inter-regional capital resources, or of the Fund. However, during the first three years of the Bank's operations, up to three per cent, in total, of the initial resources of the Fund may be used to meet such expenses."

26. ARTICLE VII, Section 1(i), second sentence, shall read:

"In addition, in the case of borrowings of funds to be included in the Bank's ordinary capital resources or inter-regional capital resources, the Bank shall obtain agreement of such countries that the proceeds may be exchanged for the currency of any other country without restriction;"

27. ARTICLE VII, Section 3, shall read:

"Section 3. Methods of Meeting Liabilities of the Bank in Case of Defaults

(a) The Bank, in the event of actual or threatened default on

loans made or guaranteed by the Bank using its ordinary capital resources or its inter-regional capital resources, shall take such action as it deems appropriate with respect to modifying the terms of the loan, other than the currency of repayment.

(b) The payments in discharge of the Bank's liabilities on borrowings or guarantees under Article III, Section 4(ii) and (v) chargeable against the ordinary capital resources of the Bank shall be charged:

- (i) first, against the special reserve provided for in Article III, Section 13; and
- (ii) then, to the extent necessary and at the discretion of the Bank, against the other reserves, surplus, and funds corresponding to the capital paid in for ordinary capital shares.

(c) Whenever necessary to meet contractual payments of interest, other charges, or amortization on the Bank's borrowings payable out of its ordinary capital resources, or to meet the Bank's liabilities with respect to similar payments on loans guaranteed by it chargeable to its ordinary capital resources, the Bank may call upon the members to pay an appropriate amount of their callable ordinary capital subscriptions, in accordance with Article II, Section 4(a)(ii). Moreover, if the Bank believes that a default may be of long duration, it may call an additional part of such subscriptions not to exceed in any one year one per cent of the total subscriptions of the members to the ordinary capital resources, for the following purposes:

- (i) to redeem prior to maturity, or otherwise discharge its liability on, all or part of the outstanding principal of any loan guaranteed by it chargeable to its ordinary capital resources in respect of which the debtor is in default; and
- (ii) to repurchase, or otherwise discharge its liability on, all or part of its own outstanding obligations payable out of its ordinary capital resources.

(d) The Bank's liabilities on all borrowings of funds for inclusion in its ordinary capital resources which were outstanding at December 31, 1974 shall be payable out of both the ordinary capital resources and the inter-regional capital resources, including, notwithstanding the provisions of Article IIA, Section 3(c), the callable inter-regional capital subscriptions, provided, however, that the Bank shall use its best efforts to discharge its liabilities on such outstanding borrowings out of its ordinary capital resources pursuant to paragraphs (b)

and (c) of this section before discharging such liabilities out of its inter-regional capital resources pursuant to paragraphs (e) and (f) of this section, for which purpose appropriate substitution shall be made in such paragraphs of the term ordinary capital for inter-regional capital.

(e) The payments in discharge of the Bank's liabilities on borrowings or guarantees under Article III, Section 4 (iv) and (v) chargeable against the inter-regional capital resources of the Bank shall be charged:

- (i) first, against any reserve established for this purpose; and
- (ii) then, to the extent necessary and at the discretion of the Bank, against the other reserves, surplus, and funds corresponding to the capital paid in for inter-regional capital shares.

(f) Whenever necessary to meet contractual payments of interest, other charges, or amortization on the Bank's borrowings payable out of its inter-regional capital resources, or to meet the Bank's liabilities with respect to similar payments on loans guaranteed by it chargeable to its inter-regional capital resources, the Bank may call upon the members to pay an appropriate amount of their callable inter-regional capital subscriptions, in accordance with Article IIA, Section 3(c). Moreover, if the Bank believes that a default may be of long duration, it may call an additional part of such subscriptions not to exceed in any one year one per cent of the total subscriptions of the members to the inter-regional capital resources, for the following purposes:

- (i) to redeem prior to maturity, or otherwise discharge its liability on, all or part of the outstanding principal of any loan guaranteed by it chargeable to its inter-regional capital resources in respect of which the debtor is in default; and
- (ii) to repurchase, or otherwise discharge its liability on, all or part of its own outstanding obligations payable out of its inter-regional capital resources."

28. ARTICLE VII, Section 4, shall read:

"Section 4. Distribution or Transfer of Net Profits and Surplus

(a) The Board of Governors may determine periodically what part of the net profits and of the surplus of the ordinary capital resources and of the inter-regional capital resources shall be distributed. Such distributions may be made only when the reserves have reached a level which the Board of Governors considers adequate.

(b) When approving the statements of profit and loss, pursuant to Article VIII, Section 2(b)(viii), the Board of Governors may by decision of a two-thirds majority of the total number of governors representing not less than three fourths of the total voting power of the member countries transfer part of the net profits for the respective fiscal year of the ordinary capital resources or of the inter-regional capital resources to the Fund.

Before the Board of Governors determines to make a transfer to the Fund, it shall have received a report from the Board of Executive Directors on the desirability of such a transfer, which shall take into consideration, inter alia, (1) whether the reserves have reached a level that is adequate; (2) whether the transferred funds are needed for the operation of the Fund; and (3) the impact, if any, on the Bank's ability to borrow.

(c) The distributions referred to in paragraph (a) of this section shall be made from the ordinary capital resources in proportion to the number of ordinary capital shares held by each member and from the inter-regional capital resources in proportion to the number of inter-regional capital shares held by each member and likewise the net profits transferred to the Fund pursuant to paragraph (b) of this section shall be credited to the total contribution quotas of each member in the Fund in the foregoing proportions.

(d) Payments pursuant to paragraph (a) of this section shall be made in such manner and in such currency or currencies as the Board of Governors shall determine. If such payments are made to a member in currencies other than its own, the transfer of such currencies and their use by the receiving country shall be without restriction by any member."

29. ARTICLE VIII, Section 2 (b)(ii), shall read:

"(ii) increase or decrease the authorized ordinary capital stock and inter-regional capital stock of the Bank and the contributions to the Fund;"

30. ARTICLE VIII, Section 2(b)(viii), (ix) and (x), shall read:

- "(viii) approve, after reviewing the auditors' reports, the general balance sheets and the statements of profit and loss of the institution;
- (ix) determine the reserves and the distribution of the net profits of the ordinary capital resources and of the inter-regional capital resources and of the Fund;
- (x) select outside auditors to certify to the general balance sheets and the statements of profit and loss of the institution;"

31. ARTICLE VIII, Section 2(e), shall read:

"(e) A quorum for any meeting of the Board of Governors shall be an absolute majority of the total number of governors, including an absolute majority of the governors of regional members, representing not less than two thirds of the total voting power of the member countries."

32. ARTICLE VIII, Section 3 (b)(ii), shall read:

"(ii) One executive director shall be appointed by the member country having the largest number of shares in the Bank, two executive directors shall be elected by the governors of the nonregional member countries, and not less than eight others shall be elected by the governors of the remaining member countries. The number of executive directors to be elected in the last category, and the procedure for the election of all the elective directors shall be determined by regulations adopted by the Board of Governors by a three-fourths majority of the total voting power of the member countries, including, with respect to provisions relating exclusively to the election of directors by non-regional member countries, a two-thirds majority of the governors of the nonregional members, and, with respect to provisions relating exclusively to the number and election of directors by the remaining member countries, by a two-thirds majority of the governors of regional members. Any change in the aforementioned regulations shall require the same majority of votes for its approval."

33. ARTICLE VIII, Section 3 (f), shall read:

"(f) A quorum for any meeting of the Board of Executive Directors shall be an absolute majority of the total number of directors, including an absolute majority of directors of regional members, representing not less than two thirds of the total voting power of the member countries."

34. ARTICLE VIII, Section 4, shall read:

"Section 4. Voting

(a) Each member country shall have 135 votes plus one vote for each share of ordinary capital stock and for each share of inter-regional capital stock of the Bank held by that country, provided, however, that, in connection with any increase in the authorized ordinary or inter-regional capital stock, the Board of Governors

may determine that the capital stock authorized by such increase shall not have voting rights and that such increase of stock shall not be subject to the preemptive rights established in Article II, Section 3(b).

(b) No increase in the subscription of any member to either the ordinary capital stock or the inter-regional capital stock shall become effective, and any right to subscribe thereto is hereby waived, which would have the effect of reducing the voting power (i) of the regional developing members below 53.5 per cent of the total voting power of the member countries; (ii) of the member having the largest number of shares below 34.5 per cent of such total voting power; or (iii) of Canada below 4 per cent of such total voting power.

(c) In voting in the Board of Governors, each governor shall be entitled to cast the votes of the member country which he represents. Except as otherwise specifically provided in this Agreement, all matters before the Board of Governors shall be decided by a majority of the total voting power of the member countries.

(d) In voting in the Board of Executive Directors:

- (i) the appointed director shall be entitled to cast the number of votes of the member country which appointed him;
- (ii) each elected director shall be entitled to cast the number of votes that counted toward his election, which votes shall be cast as a unit; and
- (iii) except as otherwise specifically provided in this Agreement, all matters before the Board of Executive Directors shall be decided by a majority of the total voting power of the member countries."

35. ARTICLE VIII, Section 5 (a), shall read:

"(a) The Board of Governors, by a majority of the total voting power of the member countries, including an absolute majority of the governors of regional members, shall elect a President of the Bank who, while holding office, shall not be a governor or an executive director or alternate for either.

Under the direction of the Board of Executive Directors, the President of the Bank shall conduct the ordinary business of the Bank and shall be chief of its staff. He also shall be the presiding officer at meetings of the Board of Executive Directors, but shall have no vote, except that it shall be his duty to cast a deciding vote when necessary to break a tie.

The President of the Bank shall be the legal representative of the Bank. The term of office of the President of the Bank shall be five years, and he may be reelected to successive terms. He shall cease to hold office when the Board of Governors so decides by a majority of the total voting power of the member countries, including a majority of the total voting power of the regional member countries."

36. ARTICLE VIII, Section 5 (e), shall read:

"(e) The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall also be paid to the importance of recruiting the staff on as wide a geographical basis as possible, taking into account the regional character of the institution."

37. ARTICLE VIII, Section 6 (a), shall read:

"(a) The Bank shall publish an annual report containing separate audited statements of the accounts of the ordinary capital resources and of the inter-regional capital resources. It shall also transmit quarterly to the members summary statements of the financial position and profit-and-loss statements showing separately the results of its ordinary operations and its inter-regional resources operations."

38. ARTICLE IX, Section 2, first paragraph, shall read:

"If a member fails to fulfill any of its obligations to the Bank, the Bank may suspend its membership by decision of the Board of Governors by a three-fourths majority of the total voting power of the member countries, including a two-thirds majority of the total number of governors, which, in the case of suspension of a regional member country, shall include a two-thirds majority of the governors of regional members and, in the case of suspension of a nonregional member country, a two-thirds majority of the governors of nonregional members."

39. ARTICLE IX, Section 3, shall be amended as follows:

(1) The third sentence of paragraph (d) (ii) shall read:

"However, no amount shall be withheld on account of the country's contingent liability for future calls on its subscription pursuant to Article II, Section 4(a)(ii), or Article IIA, Section 3(c)."

(2) The second sentence of paragraph (d)(iii) shall read:

"In addition, the former member shall remain liable on any call pursuant to Article II, Section 4(a)(ii), or

Article IIA, Section 3(c), to the extent that it would have been required to respond if the impairment of capital had occurred and the call had been made at the time the repurchase price of its shares had been determined."

40. ARTICLE X, Section 2, shall read:

"Section 2. Termination of Operations

The Bank may terminate its operations by a decision of the Board of Governors by a three-fourths majority of the total voting power of the member countries, including a two-thirds majority of the governors of regional members. After such termination of operations the Bank shall forthwith cease all activities, except those incident to the conservation, preservation, and realization of its assets and settlement of its obligations."

41. ARTICLE X, Section 3(b), shall read:

"(b) All creditors holding direct claims shall be paid out of the assets of the Bank to which such claims are chargeable and then out of payments to the Bank on unpaid or callable subscriptions to which such claims are chargeable. Before making any payments to creditors holding direct claims, the Board of Executive Directors shall make such arrangements as are necessary, in its judgment, to ensure a pro rata distribution among holders of direct and contingent claims."

42. ARTICLE X, Section 4(a), shall read:

"(a) No distribution of assets shall be made to members on account of their subscriptions to the capital stock of the Bank until all liabilities to creditors chargeable to such capital stock shall have been discharged or provided for. Moreover, such distribution must be approved by a decision of the Board of Governors by a three-fourths majority of the total voting power of the member countries, including a two-thirds majority of the governors of regional members."

43. ARTICLE XII, paragraphs (a) and (b) shall read:

"(a) (i) This Agreement may be amended only by decision of the Board of Governors by a majority of the total number of governors, including two thirds of the governors of regional members, representing not less than three fourths of the total voting power of the member countries, provided, however, that the voting majorities provided in Article II, Section 1(b), may be amended only by the voting majorities stated therein.

(ii) The relevant articles of the Agreement may be amended as provided in paragraph (a)(i) above to provide for the merger of the inter-regional capital stock and the ordinary capital stock at such time as the Bank shall have discharged its liabilities on all its ordinary capital borrowings which were outstanding at December 31, 1974.

(b) Notwithstanding the provisions of (a) above, the unanimous agreement of the Board of Governors shall be required for the approval of any amendment modifying:

- (i) the right to withdraw from the Bank as provided in Article IX, Section 1;
- (ii) the right to purchase capital stock of the Bank and to contribute to the Fund as provided in Article II, Section 3 (b) and in Article IV, Section 3 (g), respectively; and
- (iii) the limitation on liability as provided in Article II, Section 3(d), Article IIA, Section 2(e), and Article IV, Section 5."

SECTION 2. Entry into Force

The foregoing amendments shall enter into force on the date on which the official communication certifying their adoption has been addressed to the members in accordance with Article XII(c) of the Agreement Establishing the Bank.

(Approved June 1, 1976)

BANQUE INTERAMERICAINE DE DEVELOPPEMENT

RESOLUTION AG-9/76

AMENDEMENTS A L'ACCORD CONSTITUTIF DE LA BANQUE CONCERNANT
LA CREATION DU CAPITAL INTERREGIONAL DE LA
BANQUE ET LES QUESTIONS CONNEXES

CONSIDERANT que l'Article II, Section 1(b), de l'Accord constitutif de la Banque stipule que les pays extra-régionaux membres du Fonds monétaire international et la Suisse peuvent être admis à la Banque en qualité de membres conformément aux normes générales que l'Assemblée des Gouverneurs aura établies;

CONSIDERANT que certains pays extra-régionaux ont manifesté leur intérêt de devenir membres de la Banque;

CONSIDERANT que l'Assemblée des Gouverneurs est parvenue à la conclusion qu'il serait souhaitable d'admettre ces pays extra-régionaux comme membres de la Banque et que leur admission devrait se faire au moyen (i) de la modification de l'Accord constitutif de la Banque afin de prévoir, entre autres questions, la création d'une nouvelle catégorie de capital qui sera dénommée capital interrégional de la Banque; (ii) de l'adoption de normes générales régissant l'admission de pays membres extra-régionaux, y compris des dispositions en vue d'une augmentation des ressources du Fonds des Opérations spéciales; et (iii) d'une augmentation du capital ordinaire autorisé de la Banque; et

CONSIDERANT que l'Article XII de l'Accord constitutif de la Banque énonce la procédure d'amendement de l'Accord,

L'Assemblée des Gouverneurs

DECIDE CE QUI SUIT:

SECTION 1. Amendments

L'Accord constitutif de la Banque sera modifié comme suit:

1. L'ARTICLE I, Section 1, se lira comme suit:

"Section 1. Objectifs

La Banque a pour objectifs de contribuer à l'accélération du processus de développement économique et social, individuel et collectif, des pays en voie de développement de la région qui en sont membres."

2. L'ARTICLE II, Section 1(b), se lira comme suit:

"(b) Les autres membres de l'Organisation des Etats Américains et le Canada, les Bahamas et la Guyane peuvent être admis à la Banque aux dates et sous les conditions que celle-ci aura fixées.

Les pays extra-régionaux membres du Fonds monétaire international et la Suisse peuvent être admis à la Banque aux dates et conformément aux normes générales que l'Assemblée des Gouverneurs aura préalablement établies. Ces normes générales ne pourront être modifiées que par une décision de l'Assemblée des Gouverneurs, prise à la majorité des deux tiers du nombre total des Gouverneurs, comprenant les deux tiers des Gouverneurs des membres extra-régionaux et représentant au moins les trois quarts du total des voix des pays membres."

3. L'ARTICLE II sera modifié par l'adjonction, après la Section 1, d'une nouvelle section ainsi conçue:

"Section 1A. Catégories de ressources

Les ressources de la Banque seront constituées par les ressources ordinaires de capital prévues dans le présent article, par les ressources interrégionales de capital prévues à l'Article IIIA et par les ressources du Fonds des Opérations spéciales (ci-après dénommé le Fonds) établi à l'Article IV."

4. L'ARTICLE II, Section 2, se lira comme suit:

"Section 2. Capital ordinaire autorisé

(a) Le capital ordinaire autorisé de la Banque sera initialement de huit cent cinquante millions de dollars (\$850.000.000) des Etats-Unis, du poids et du titre en vigueur le 1er janvier 1959, divisé en 85.000 actions d'une valeur nominale de dix mille dollars (\$10.000), lesquelles actions seront ouvertes à la souscription des pays membres conformément à la Section 3 du présent article.

(b) Le capital ordinaire autorisé sera divisé en capital-actions versé effectivement et en capital-actions sujet à l'appel. Le capital-actions versé effectivement sera de quatre cent millions de dollars (\$400.000.000) et le capital-actions sujet à l'appel sera de quatre cent cinquante millions de dollars (\$450.000.000) pour les fins spécifiées à la Section 4(a)(ii) du présent article.

(c) Le capital ordinaire indiqué au paragraphe (a) de la présente section sera augmenté de cinq cent millions de dollars (\$500.000.000), en termes de la monnaie des Etats-Unis d'Amérique du poids et du titre en vigueur le 1er janvier 1959, dès que:

- (i) le délai imparti, conformément à la Section 4 du présent article, pour le paiement de toutes les souscriptions, aura expiré;
- (ii) l'augmentation indiquée de cinq cent millions de dollars (\$500.000.000) aura été approuvée par une majorité des trois quarts du total des voix des pays membres, au cours d'une réunion ordinaire ou extraordinaire de l'Assemblée des Gouverneurs tenue le plus tôt que possible après que le délai indiqué à l'alinéa (i) du présent paragraphe sera écoulé.

(d) L'augmentation du capital prévue au paragraphe précédent s'effectuera au titre du capital-actions sujet à l'appel.

(e) Nonobstant les dispositions des paragraphes (c) et (d) de la présente section, et sous réserve des dispositions de l'Article VIII, Section 4(b), le capital ordinaire autorisé pourra être augmenté par une décision de l'Assemblée des Gouverneurs prise à la majorité des trois quarts du total des voix des pays membres comprenant la majorité des deux tiers des Gouverneurs des membres régionaux à la date et dans la forme que cette Assemblée jugera opportunes.

(f) Dans tous les cas où le capital interrégional autorisé est augmenté conformément à l'Article IIA, Section 1(c), et où un membre exerce l'option prévue à l'Article II, Section 3(f), le capital ordinaire sera augmenté du montant nécessaire pour permettre audit membre d'exercer cette option, et le capital interrégional ouvert à la souscription dudit membre sera diminué d'un montant équivalent, qui sera dûment annulé."

5. L'ARTICLE II, Section 3, se lira comme suit:

"Section 3. Souscription des actions

(a) Chaque pays membre régional souscrira sa part d'actions au capital ordinaire de la Banque, et les pays membres extra-régionaux pourront y souscrire conformément aux dispositions du paragraphe (b) de la présente section et conformément aux conditions que l'Assemblée des Gouverneurs établira. Le nombre des actions à souscrire par les membres fondateurs est fixé à l'Annexe A, où sont spécifiées les obligations qui incombent à chaque membre en ce qui est du capital-actions versé effectivement et du capital-actions sujet à l'appel. Le nombre des actions à souscrire par les autres membres sera fixé par la Banque.

(b) En cas d'augmentation du capital ordinaire, au titre de la Section 2(c) ou (e) du présent article, d'augmentation du capital interrégional au titre de l'Article IIA, Section 1(c) ou d'augmentation du capital tant ordinaire qu'interrégional, chaque pays membre aura droit, dans les conditions que la Banque aura fixées, de souscrire à une fraction de l'augmentation égale au rapport qui existait entre les actions

souscrites par lui et le capital de la Banque avant l'augmentation. Toutefois, aucun pays membre ne sera tenu de souscrire une partie quelconque de l'augmentation de capital.

(c) Les actions du capital ordinaire souscrites par les membres fondateurs seront émises au pair. Les actions souscrites par la suite seront émises au pair également, à moins que, dans des circonstances spéciales, la Banque ne décide de les émettre à d'autres conditions.

(d) La responsabilité des pays membres au titre de leurs actions du capital ordinaire sera limitée à la portion non payée du prix d'émission.

(e) Les actions du capital ordinaire ne pourront être ni données à gage, ni grevées de charges quelconques et seront uniquement transférables à la Banque.

(f) Tout pays membre ayant le droit de souscrire au capital interrégional de la Banque en vertu du paragraphe (b) de la présente section aura l'option de renoncer à ce droit et de souscrire à la place un montant équivalent du capital ordinaire."

6. L'ARTICLE II, Section 4(a), sera modifié comme suit:

- (1) A la phrase liminaire, les mots "capital de la Banque" seront remplacés par les mots "capital ordinaire de la Banque".
- (2) A la première phrase de l'alinéa (ii), les mots "souscription sujette à l'appel" seront remplacés par les mots "souscription au capital-actions ordinaire sujette à l'appel", et le renvoi à "l'Article III, Section 4(ii) et (iii)" sera remplacé par un renvoi à "l'Article III, Section 4(ii) et (v)".

7. L'ARTICLE II, Section 5, se lira comme suit:

"Section 5. Ressources ordinaires de capital"

Il reste entendu que, dans le présent Accord, l'expression "ressources ordinaires de capital" se réfère aux éléments suivants:

- (i) le capital ordinaire autorisé souscrit conformément aux Sections 2 et 3 du présent article, au titre du capital-actions versé effectivement et du capital-actions sujet à l'appel;
- (ii) tous les fonds provenant des emprunts autorisés au titre de l'Article VII, Section 1(i), auxquels sont applicables les clauses de la Section 4(a)(ii) du présent article;

- (iii) tous les fonds reçus en remboursement des prêts effectués avec les ressources indiquées aux alinéas (i) et (ii) de la présente section;
 - (iv) tous les revenus provenant des prêts effectués avec les ressources ci-dessus indiquées ou provenant des garanties auxquelles sont applicables les clauses de la Section 4(a)(ii) du présent article; et
 - (v) tous les autres revenus provenant de l'une quelconque des ressources susmentionnées."
8. L'ARTICLE IIA, conçu comme suit, sera ajouté à l'Accord après l'ARTICLE II:

"ARTICLE IIA. CAPITAL INTERREGIONAL DE LA BANQUE

Section 1. Capital interrégional autorisé

(a) Le capital interrégional autorisé de la Banque sera initialement de quatre cent vingt millions de dollars (\$420.000.000) des Etats-Unis, du poids et du titre en vigueur le 1er janvier 1959, divisé en 42.000 actions d'une valeur nominale de 10.000 dollars, lesquelles actions seront ouvertes à la souscription des pays membres conformément à la Section 2 du présent article.

(b) Le capital interrégional autorisé sera divisé en capital-actions versé effectivement et en capital-actions sujet à l'appel. Sur le montant initial du capital interrégional autorisé, le capital-actions versé effectivement sera de soixante-dix millions de dollars (\$70.000.000) et le capital-actions sujet à l'appel sera de trois cent cinquante millions de dollars (\$350.000.000) pour les fins spécifiées à la Section 3(c) du présent article.

(c) Sous réserve des dispositions de l'Article VIII, Section 4(b), le capital interrégional autorisé pourra être augmenté par une décision de l'Assemblée des Gouverneurs prise à la majorité des deux tiers du nombre total des Gouverneurs, comprenant les deux tiers des Gouverneurs des membres régionaux et représentant au moins les trois quarts du total des voix des pays membres, à la date et dans la forme que cette Assemblée jugera opportunes.

(d) Dans tous les cas où le capital ordinaire autorisé est augmenté conformément à l'Article II, Section 2(e), et où un membre exerce l'option prévue à l'Article IIA, Section 2(g), le capital interrégional sera augmenté du montant nécessaire pour permettre audit membre d'exercer cette option, et le capital ordinaire ouvert à la souscription dudit membre sera diminué d'un montant équivalent qui sera dûment annulé.

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Section 2. Souscription des actions du capital interrégional

(a) Chaque pays membre extra-régional souscrira sa part d'actions du capital interrégional, et les pays membres régionaux pourront y souscrire conformément aux dispositions de l'Article II, Section 3(b), et conformément aux conditions que l'Assemblée des Gouverneurs établira sous réserve des dispositions de la présente section.

(b) Le nombre des actions à souscrire par chaque membre extra-régional initial, pour ce qui est du capital-actions interrégional versé effectivement et du capital-actions interrégional sujet à l'appel, sera fixé par la Banque. Le nombre des actions à souscrire par tout nouveau membre extra-régional, y compris les modalités de leur paiement, seront fixés par la Banque compte dûment tenu des conditions des souscriptions existantes.

(c) Les membres régionaux peuvent souscrire au capital interrégional aux conditions que la Banque déterminera, compte dûment tenu des conditions établies pour les souscriptions de membres extra-régionaux.

(d) Les actions du capital interrégional autorisé initial seront émises au pair. Les actions souscrites par la suite seront émises au pair également, à moins que, dans des circonstances spéciales, la Banque ne décide de les émettre à d'autres conditions.

(e) La responsabilité des pays membres au titre de leurs actions du capital interrégional sera limitée à la portion non payée du prix d'émission.

(f) Les actions du capital interrégional ne pourront être ni données à gage, ni grevées de charges quelconques et seront uniquement transférables à la Banque.

(g) Tout pays membre ayant le droit de souscrire au capital ordinaire de la Banque en vertu de l'Article II, Section 3(b), aura l'option de renoncer à ce droit et de souscrire à la place un montant équivalent du capital interrégional.

Section 3. Paiement des souscriptions au capital interrégional

(a) Le paiement du montant souscrit par chaque pays au titre du capital-actions interrégional effectivement versé sera effectué intégralement dans la monnaie de ce pays, lequel devra prendre les dispositions que la Banque jugera satisfaisantes pour assurer que, sous réserve des dispositions de l'Article V, Section 1(c), sa monnaie soit librement convertible dans les monnaies des autres pays aux fins des opérations de la Banque.

(b) Chaque paiement d'un pays membre effectué conformément au paragraphe (a) de la présente section devra être d'un montant qui, d'après l'opinion de la Banque, soit en dollars des Etats-Unis d'Amérique du poids et du titre en vigueur le 1er janvier 1959, égal à la valeur totale de la partie de la souscription en train d'être réglée. Le versement initial se fera dans le montant que le pays membre jugera adéquat en vertu du présent Accord, mais il restera sujet aux ajustements à effectuer dans les 60 jours à partir de la date à laquelle le versement sera arrivé à échéance. La Banque déterminera le montant desdits ajustements nécessaires pour constituer l'équivalent en dollars du montant total à payer, en vertu du présent paragraphe.

(c) La partie de la souscription au capital-actions interrégional sujette à l'appel ne sera exigée que si la Banque en a besoin pour faire face à des engagements découlant de l'Article III, Section 4(iv) et (v), pourvu que lesdits engagements correspondent soit à des emprunts dont les fonds ont été intégrés dans les ressources interrégionales de capital de la Banque, soit à des garanties qui engagent lesdites ressources. Dans le cas d'un tel appel, le paiement sera effectué, au choix du membre, soit dans la monnaie pleinement convertible d'un pays membre, soit dans la monnaie requise pour régler les engagements de la Banque qui ont motivé l'appel.

Les appels sur les souscriptions du capital interrégional non encore payées seront d'un pourcentage uniforme pour toutes les actions.

Section 4. Ressources interrégionales de capital

Il reste entendu que, dans le présent Accord, l'expression "ressources interrégionales de capital" se réfère aux éléments suivants:

- (i) le capital interrégional autorisé souscrit conformément à la Section 2 du présent article, au titre du capital-actions versé effectivement et du capital-actions sujet à l'appel;
- (ii) tous les fonds provenant des emprunts autorisés au titre de l'Article VII, Section 1(i), auxquels sont applicables les clauses de la Section 3(c) du présent article;
- (iii) tous les fonds reçus en remboursement des prêts effectués avec les ressources indiquées aux alinéas (i) et (ii) de la présente section;
- (iv) tous les revenus provenant des prêts effectués avec les ressources ci-dessus indiquées ou provenant des garanties auxquelles sont applicables les clauses de la Section 3(c) du présent article; et
- (v) tous les autres revenus provenant de l'une quelconque des ressources susmentionnées."

L'ARTICLE III, Section 2, se lira comme suit:

"Section 2. Catégories d'opérations

(a) Les opérations de la Banque se divisent en opérations ordinaires, en opérations sur ressources interrégionales et en opérations spéciales.

(b) Les opérations ordinaires seront financées au moyen des ressources ordinaires de capital de la Banque, définies à l'Article II, Section 5. Les opérations sur ressources interrégionales seront financées au moyen des ressources interrégionales de capital de la Banque, définies à l'Article IIA, Section 4. Les deux types d'opérations consisteront exclusivement en prêts effectués ou garantis par la Banque ou auxquels elle aura participé, et qui sont remboursables seulement dans la ou les monnaies dans lesquelles ils auront été concédés. Ces opérations seront sujettes aux termes et aux conditions que la Banque aura jugé convenables et qui seront compatibles avec les dispositions du présent Accord.

(c) Les opérations spéciales seront celles financées avec les ressources du Fonds, conformément aux dispositions de l'Article IV."

10. L'ARTICLE III, Section 3, se lira comme suit:

"Section 3. Principe directeur de la séparation

(a) Sous réserve des dispositions de l'Article XII(a)(ii) relatives aux modifications de l'Accord, les ressources ordinaires de capital spécifiées à l'Article II, Section 5, les ressources interrégionales de capital spécifiées à l'Article IIA, Section 4, et les ressources du Fonds spécifiées à l'Article IV, Section 3(h), devront toujours être maintenues, utilisées, engagées, investies ou placées d'une manière quelconque, mais dans tous les cas d'une façon complètement indépendante les unes des autres.

(b) Les ressources ordinaires de capital et les ressources interrégionales de capital ne seront en aucun cas imputées ou utilisées pour couvrir les obligations, engagements ou pertes provenant des opérations pour lesquelles les ressources du Fonds avaient été à l'origine employées ou engagées.

(c) Les ressources ordinaires de capital ne seront en aucun cas imputées ou utilisées pour couvrir les obligations, engagements ou pertes imputables aux ressources interrégionales de capital, et, sous réserve des dispositions de l'Article VII, Section 3(d), les ressources interrégionales de capital ne seront en aucun cas imputées ou utilisées pour couvrir les obligations, engagements ou pertes imputables aux ressources ordinaires de capital.

(d) Les états de compte de la Banque devront montrer séparément les opérations ordinaires, les opérations sur ressources interrégionales et les opérations spéciales, et la Banque adoptera telles autres règles administratives qui auront paru nécessaires afin d'assurer la séparation effective des trois types d'opérations.

(e) Les dépenses directement afférentes aux opérations ordinaires seront déduites des ressources ordinaires de capital. Les dépenses directement afférentes aux opérations sur ressources interrégionales seront déduites des ressources interrégionales de capital. Les dépenses directement afférentes aux opérations spéciales seront payées par les ressources du Fonds. Les autres dépenses seront réglées comme la Banque l'aura déterminé."

11. L'ARTICLE III, Section 4(i) à (v) inclusivement, se lira comme suit:

- "(i) accorder des prêts directs ou participer à des prêts directs en utilisant soit les ressources provenant de son capital ordinaire versé non entamé et, en tenant compte des dispositions établies à la Section 13 du présent article, soit les ressources provenant de ses réserves et de l'excédent non distribué, soit les ressources du Fonds libres de toutes charges;
- (ii) accorder des prêts directs ou participer à des prêts directs en utilisant les ressources des marchés de capitaux, soit empruntées soit obtenues de toute autre manière pour être incorporées aux ressources ordinaires de capital de la Banque ou aux ressources du Fonds;
- (iii) accorder des prêts directs ou participer à des prêts directs en utilisant les ressources provenant de son capital interrégional versé non entamé, y compris toute réserve ou tout excédent non distribué concernant ces ressources;
- (iv) accorder des prêts directs ou participer à des prêts directs en utilisant les ressources des marchés de capitaux, soit empruntées soit obtenues de toute autre manière pour être incorporées aux ressources interrégionales de capital de la Banque; et
- (v) garantir, en totalité ou en partie, au moyen des ressources ordinaires de capital, des ressources interrégionales de capital ou des ressources du Fonds, les prêts consentis, sauf en des cas exceptionnels, par l'investissement privé."

12. L'ARTICLE III, Section 5, se lira comme suit:

"Section 5. Limitations des opérations

(a) Le montant total des prêts et des garanties non réglés qu'aura accordés la Banque, au titre de ses opérations ordinaires, ne devra excéder à aucun moment le montant total du capital ordinaire souscrit de la Banque libre de charges, plus l'excédent non distribué et les réserves non grevées comprises dans les ressources ordinaires de capital de la Banque, lesquelles sont définies à l'Article II, Section 5, à l'exclusion des revenus destinés à la réserve spéciale, établie conformément à la Section 13 du présent article et à l'exclusion également de tous revenus des ressources ordinaires de capital destinés par décision de l'Assemblée des Gouverneurs aux réserves non utilisables pour accorder des prêts ou consentir des garanties.

(b) Le montant total des prêts et des garanties non réglés qu'aura accordés la Banque au titre de ses opérations sur ressources interrégionales, ne devra excéder à aucun moment le montant total du capital interrégional souscrit de la Banque libre de charges, plus l'excédent non distribué et les réserves non grevées comprises dans les ressources interrégionales de capital de la Banque, lesquelles sont définies à l'Article IIA, Section 4, à l'exclusion des revenus des ressources interrégionales de capital destinés par décision de l'Assemblée des Gouverneurs aux réserves non utilisables pour accorder des prêts ou consentir des garanties.

(c) Dans le cas de prêts accordés sur les fonds empruntés par la Banque, auxquels sont applicables les clauses de l'Article II, Section 4(a) (ii), le montant du principal dû et payable à la Banque dans une monnaie donnée ne devra jamais excéder le solde des sommes non encore remboursées que la Banque a empruntées pour être incorporées à ses ressources ordinaires de capital et qui sont payables dans la même monnaie.

(d) Dans le cas de prêts accordés sur les fonds empruntés par la Banque, auxquels sont applicables les clauses de l'Article IIA, Section 3 (c), le montant du principal dû et payable à la Banque dans une monnaie donnée ne devra jamais excéder le solde des sommes non encore remboursées que la Banque a empruntées pour être incorporées à ses ressources interrégionales de capital et qui sont payables dans la même monnaie."

13. L'ARTICLE III, Section 9 (a), se lira comme suit:

"(a) A l'exception de ce qui est prévu à l'Article V, Section 1, la Banque n'imposera pas comme condition que le produit d'un prêt soit dépensé dans le territoire d'un pays donné; elle n'imposera pas non

plus comme condition que le produit d'un prêt ne soit pas dépensé dans le territoire d'un pays membre donné ou dans les territoires de pays membres déterminés; il est entendu toutefois qu'en ce qui concerne toute augmentation des ressources de la Banque, l'Assemblée des Gouverneurs pourra imposer une restriction aux acquisitions de la Banque ou de tout pays membre auprès des membres qui ne participent pas à une augmentation aux termes et conditions spécifiés par l'Assemblée des Gouverneurs."

14. L'ARTICLE III, Section 10, paragraphe liminaire, se lira comme suit:

"Les contrats de prêts directs conclus par la Banque en vertu de la Section 4 du présent article seront établis conformément aux dispositions suivantes:"

15. L'ARTICLE IV, Section 2, se lira comme suit:

"Section 2. Dispositions applicables"

Le Fonds sera régi par les dispositions du présent article et par les autres normes de l'Accord, à l'exception de celles qui sont incompatibles avec les termes du présent article et de celles qui se réfèrent expressément et uniquement aux autres opérations de la Banque."

16. L'ARTICLE IV, Section 3 (b), se lira comme suit:

"(b) Les membres de l'Organisation des Etats Américains admis à la Banque après la date stipulée à l'Article XV, Section 1 (a), le Canada, les Bahamas et la Guyane et les pays admis en application de l'Article II, Section 1 (b) apporteront au Fonds les quotes-parts fixées par la Banque, dans les conditions que celle-ci aura définies."

17. L'ARTICLE IV, Section 3 (g), se lira comme suit:

"(g) Les ressources du Fonds seront augmentées à l'aide des contributions additionnelles des membres, lorsque l'Assemblée des Gouverneurs, à la majorité des trois quarts de la totalité des voix des pays membres l'aura jugé nécessaire. Les dispositions de l'Article II, Section 3 (b), s'appliqueront également aux augmentations des ressources en respectant la proportion entre le quota en vigueur de chaque pays et le total des ressources du Fonds apporté par les membres. Toutefois, aucun pays membre ne sera tenu de contribuer à une telle augmentation, pour quelque partie que ce soit."

18. L'ARTICLE IV, Section 3 (h) (ii), se lira comme suit:

"(ii) tous les fonds provenant d'emprunts auxquels ne s'appliquent pas les clauses de l'Article II, Section 4 (a) (ii) et de l'Article IIA, Section 3 (c), et qui sont spécifiquement imputables sur les ressources du Fonds;"

19. L'ARTICLE IV, Section 8 (c), se lira comme suit:

"(c) Dans la mesure du possible, la Banque emploiera pour les opérations du Fonds, le même personnel, les mêmes experts, et utilisera les mêmes fournitures, installations, bureaux et services dont elle dispose pour ses autres opérations."

20. L'ARTICLE IV, Section 9 (a), se lira comme suit:

"(a) Dans les décisions concernant les opérations du Fonds, chaque pays membre de la Banque aura à l'Assemblée des Gouverneurs, et chaque Directeur au Conseil des Directeurs Exécutifs, le nombre de voix qui leur est accordé conformément à l'Article VIII, Section 4 (a) et (c) et à l'Article VIII, Section 4 (a) et (d), respectivement."

21. L'ARTICLE IV, Section 12, se lira comme suit:

"Section 12. Suspension et arrêt des opérations"

Les dispositions de l'Article X s'appliqueront également au Fonds, en substituant respectivement aux termes 'ressources de capital de la Banque', ressources du Fonds; aux termes 'créanciers de la Banque', créanciers du Fonds."

22. L'ARTICLE V, Section 1, se lira comme suit:

"Section 1. Emploi des monnaies"

(a) La monnaie de tout pays membre détenue par la Banque comme partie de ses ressources ordinaires de capital, de ses ressources interrégionales de capital ou des ressources du Fonds, quelle que soit la manière suivant laquelle elle aura été acquise, pourra être utilisée par la Banque et par tout détenteur qui l'aura reçue de la Banque, sans aucune restriction de la part de ce membre, pour le paiement des biens et des services produits sur son territoire.

(b) Les pays membres ne pourront maintenir ni imposer des mesures restrictives d'aucune sorte qui limitent, en vue d'effectuer des paiements dans un pays quelconque, l'usage par la Banque ou par tout détenteur qui les a reçues de la Banque des ressources suivantes:

(i) l'or et les dollars reçus par la Banque en paiement des 50 pour cent de la souscription de chaque membre au capital-actions ordinaire de la Banque et des 50 pour cent de la quote-part de chaque membre au Fonds, conformément aux dispositions de l'Article II, et de l'Article IV, respectivement, ainsi que les monnaies reçues par la Banque en paiement de la portion équivalente de la souscription de chaque membre au capital-

actions interrégional conformément aux dispositions de l'Article IIA;

- (ii) les monnaies des pays membres achetées avec les ressources visées à l'alinéa précédent;
- (iii) les monnaies obtenues par voie d'emprunts pour être incorporées aux ressources de capital de la Banque, en vertu de l'Article VII, Section 1 (i);
- (iv) l'or et les dollars reçus par la Banque en amortissement du principal et en paiement des intérêts et des autres charges provenant des prêts accordés sur les fonds en or et en dollars visés à l'alinéa (i) du présent paragraphe; les monnaies reçues par la Banque en amortissement du principal et en paiement des intérêts et des autres charges provenant des prêts accordés sur la portion du capital interrégional visée à l'alinéa (i) du présent paragraphe; les monnaies reçues en paiement du principal, des intérêts et des autres charges provenant des prêts accordés dans les monnaies visées aux alinéas (ii) et (iii) du présent paragraphe; et les monnaies reçues en paiement des commissions et des redevances relatives aux garanties octroyées par la Banque;
- (v) les monnaies, autres que la monnaie nationale du pays membre, reçues de la Banque conformément à l'Article VII, Section 4 (d), et à l'Article IV, Section 10, provenant de la distribution des bénéfices nets.

(c) La monnaie d'un pays membre détenue par la Banque, que ce soit comme partie de ses ressources ordinaires de capital, de ses ressources interrégionales de capital ou comme partie des ressources du Fonds, qui n'entre pas dans l'une des catégories visées au paragraphe (b) de la présente section, pourra être également utilisée par la Banque ou par tout détenteur qui l'aura reçue de la Banque pour effectuer des paiements dans n'importe quel pays sans restrictions d'aucune sorte, à moins que le pays membre ne notification à la Banque son désir que l'utilisation de sa monnaie ou d'une partie de celle-ci soit limitée aux fins spécifiées au paragraphe (a) de la présente section.

(d) Les pays membres ne pourront imposer aucune restriction au droit de la Banque de conserver les monnaies reçues en remboursement de prêts directs accordés sur les fonds empruntés et qui font partie des ressources ordinaires ou interrégionales de capital de la Banque, et d'utiliser ces monnaies, soit pour l'amortissement, soit pour le paiement anticipé, soit pour le rachat en tout ou en partie des obligations de la Banque.

(e) L'or ou les monnaies détenus par la Banque, comme partie de ses ressources ordinaires de capital, comme partie de ses ressources interrégionales de capital ou comme partie des ressources du Fonds, ne pourront pas être utilisés par la Banque pour acheter d'autres monnaies, à moins qu'elle n'y soit autorisée par la majorité des deux tiers du total des voix des pays membres. Les monnaies achetées conformément aux dispositions du présent paragraphe ne seront pas soumises aux règles relatives au maintien de la valeur des monnaies stipulées à la Section 3 du présent article."

23. L'ARTICLE V, Section 3, se lira comme suit:

"Section 3. Maintien de la valeur des monnaies en possession de la Banque

(a) Toutes les fois qu'au Fonds monétaire international, la valeur au pair de la monnaie d'un pays membre aura été réduite ou que le taux de change de la monnaie d'un pays membre aura, dans l'opinion de la Banque, subi une dépréciation considérable, la membre devra, dans un délai raisonnable, verser dans sa propre monnaie à la Banque une somme additionnelle suffisante pour rétablir au niveau initial la valeur totale en dollars de sa monnaie détenu par la Banque soit au titre des ressources ordinaires de capital, soit au titre des ressources interrégionales de capital, soit au titre des ressources du Fonds, à l'exception de la monnaie provenant des fonds empruntés par la Banque. L'étalement monétaire de base sera le dollar des Etats-Unis d'Amérique, du poids et du titre en vigueur le 1er janvier 1959.

(b) Chaque fois que la valeur au pair de la monnaie d'un pays membre sera augmentée au Fonds monétaire international, ou que le taux de change de la monnaie de ce membre aura, dans l'opinion de la Banque, enregistré un accroissement considérable, la Banque devra, dans un délai raisonnable, retourner audit membre une quantité de sa monnaie égale à l'accroissement de la valeur du montant total que la Banque détient en cette monnaie au titre de ses ressources ordinaires de capital, au titre de ses ressources interrégionales de capital ou au titre des ressources du Fonds, à l'exception des fonds provenant des emprunts réalisés par la Banque. A cette fin, l'étalement de valeur restera le même qu'au paragraphe précédent.

(c) La Banque pourra renoncer aux dispositions de la présente section, lorsque le Fonds monétaire international aura modifié dans une proportion uniforme la valeur au pair des monnaies de tous les membres de la Banque.

(d) Nonobstant toute autre disposition de la présente section, les termes et conditions de toute augmentation des ressources du Fonds conformément à l'Article IV, Section 3 (g), pourront comprendre des dispositions relatives au maintien de la valeur des monnaies, autres

que celles qui sont prévues dans la présente section, applicables aux ressources du Fonds provenant de cette augmentation."

24. L'ARTICLE V, Section 4, se lira comme suit:

"Section 4. Méthodes de conservation des monnaies

La Banque acceptera de tout pays membre des billets à ordre ou des titres similaires émis par le gouvernement du pays membre ou par le dépositaire désigné par lui, en remplacement de toute partie de la monnaie du pays membre jusqu'à concurrence de 50 pour cent de la souscription au capital ordinaire autorisé de la Banque et de 50 pour cent de la souscription aux ressources du Fonds qui, en vertu des Articles II et IV, respectivement, sont payables par chaque membre en sa monnaie nationale, pourvu que cette monnaie ne soit pas nécessaire à la Banque pour mener ses opérations. Ces titres ou billets ne seront pas négociables, ils ne porteront pas intérêt et seront payables à la Banque à leur valeur au pair sur la demande de celle-ci. Aux mêmes conditions, la Banque acceptera également ces titres ou billets en remplacement de toute partie de la souscription d'un pays membre au capital interrégional dont les conditions de souscription n'exigent pas le paiement en espèces."

25. L'ARTICLE VI, Section 3 (b), se lira comme suit:

"(b) Les dépenses faites au titre de l'assistance technique non remboursées par les bénéficiaires seront couvertes par les profits nets des ressources ordinaires de capital, des ressources interrégionales de capital ou du Fonds. Toutefois, pendant les trois premières années d'opération, la Banque pourra utiliser, pour faire face à ces dépenses, jusqu'à concurrence de trois pour cent des ressources initiales du Fonds."

26. L'ARTICLE VII, Section 1 (i), deuxième phrase, se lira comme suit:

"En outre, dans les cas des emprunts pour des fonds à incorporer aux ressources ordinaires de capital ou aux ressources interrégionales de capital de la Banque, cette dernière devra obtenir l'assentiment desdits pays pour que le produit de l'emprunt puisse être changé contre la monnaie de n'importe quel autre pays sans aucune restriction;"

27. L'ARTICLE VII, Section 3, se lira comme suit:

"Section 3. Modalités d'exécution des engagements de la Banque en cas de défaut de paiement

(a) La Banque, en cas de défaut ou de menace de défaut de paiement d'un prêt accordé ou garanti avec les ressources ordinaires de

capital ou les ressources interrégionales de capital, prendra les mesures qu'elle jugera opportunes en vue de modifier les conditions du prêt, sauf en ce qui concerne la monnaie dans laquelle le prêt doit être remboursé.

(b) Le montant des paiements effectués par la Banque pour s'acquitter des obligations résultant des emprunts réalisés ou des garanties accordées en vertu de l'Article III, Section 4 (ii) et (v) qui affectent les ressources ordinaires de capital de la Banque, sera prélevé:

- (i) tout d'abord, sur la réserve spéciale prévue à l'Article III, Section 13; et
- (ii) ensuite, dans la mesure nécessaire et au moment que la Banque jugera convenable, sur les autres réserves, l'excédent et les fonds correspondant au capital payé par les actions du capital ordinaire.

(c) La Banque pourra, ainsi qu'il est prévu à l'Article II, Section 4 (a) (ii), faire l'appel d'un montant convenable sur les souscriptions de capital ordinaire non versées des pays membres, en vue de faire face aux paiements contractuels d'intérêts, aux autres charges ou aux amortissements afférents à ses propres emprunts payables par ses ressources ordinaires de capital ou pour faire face aux obligations relatives à des paiements analogues concernant les prêts payables ou garantis par ses ressources ordinaires de capital. En outre, si la Banque estime que le défaut de paiement peut être de longue durée, elle pourra faire l'appel sur ces souscriptions non payées d'une part additionnelle qui ne devra pas dépasser au cours d'une année quelconque 1 pour cent du total des souscriptions des pays membres aux ressources ordinaires de capital, aux fins de:

- (i) se libérer, par voie de rachat avant l'échéance ou de n'importe quelle autre manière, de ses obligations relatives à tout ou partie du principal non remboursé, d'un prêt garanti par elle qui engage ses ressources ordinaires de capital et dont le débiteur est en défaut;
- (ii) se libérer, par voie de rachat ou de n'importe quelle autre manière, de ses engagements relatifs à tout ou partie de ses propres obligations encore pendantes payables par ses ressources ordinaires de capital.

(d) Les obligations de la Banque découlant de tous les fonds empruntés pour être incorporés à ses ressources ordinaires de capital

et non remboursés au 31 décembre 1974 seront réglables tant sur les ressources ordinaires de capital que sur les ressources interrégionales de capital, y compris, nonobstant les dispositions de l'Article IIA, Section 3 (c), les souscriptions de capital interrégional sujettes à l'appel, étant entendu toutefois que la Banque ne négligera aucun effort pour se libérer de ses obligations découlant de ces emprunts non remboursés sur ses ressources ordinaires de capital conformément aux paragraphes (b) et (c) de la présente section avant de se libérer de ces obligations sur ses ressources interrégionales de capital conformément aux paragraphes (e) et (f) de la présente section, l'expression "capital interrégional" étant à cette fin remplacée selon qu'il convient par l'expression "capital ordinaire" dans lesdits paragraphes.

(e) Le montant des paiements effectués par la Banque pour s'acquitter des obligations résultant des emprunts réalisés ou des garanties accordées en vertu de l'Article III, Section 4 (iv) et (v) qui affectent les ressources interrégionales de capital de la Banque, sera prélevé:

- (i) tout d'abord, sur toute réserve établie à cette fin; et
- (ii) ensuite, dans la mesure nécessaire et au moment que la Banque jugera convenable, sur les autres réserves, l'excédent et les fonds correspondant au capital payé par les actions du capital interrégional.

(f) La Banque pourra, ainsi qu'il est prévu à l'Article IIA, Section 3 (c), faire l'appel d'un montant convenable sur les souscriptions de capital interrégional non versées des pays membres, en vue de faire face aux paiements contractuels d'intérêts, aux autres charges ou aux amortissements afférents à ses propres emprunts payables par ses ressources interrégionales de capital ou pour faire face aux obligations relatives à des paiements analogues concernant les prêts payables ou garantis par ses ressources interrégionales de capital. En outre, si la Banque estime que le défaut de paiement peut être de longue durée, elle pourra faire l'appel sur ces souscriptions non payées d'une part additionnelle qui ne devra pas dépasser au cours d'une année quelconque 1 pour cent du total des souscriptions de pays membres aux ressources interrégionales de capital, aux fins de:

- (i) se libérer, par voie de rachat avant l'échéance ou de n'importe quelle autre manière, de ses obligations relatives à tout ou partie du principal non remboursé, d'un prêt garanti par elle qui engage ses ressources interrégionales de capital et dont le débiteur est en défaut;

(ii) se libérer, par voie de rachat ou de n'importe quelle autre manière, de ses engagements relatifs à tout ou partie de ses propres obligations encore pendantes payables par ses ressources interrégionales de capital."

28. L'ARTICLE VII, Section 4, se lira comme suit:

"Section 4. Répartition ou transfert des bénéfices nets et de l'excédent

(a) L'Assemblée des Gouverneurs pourra déterminer périodiquement quelle part des bénéfices nets et de l'excédent des ressources ordinaires de capital et des ressources interrégionales de capital sera distribuée. Cette répartition aura lieu seulement lorsque les réserves auront atteint un niveau jugé suffisant par l'Assemblée des Gouverneurs.

(b) Lorsqu'elle approuve les états des pertes et profits conformément à l'Article VIII, Section 2 (b) (viii), l'Assemblée des Gouverneurs peut, par une décision prise à la majorité des deux tiers du nombre total de Gouverneurs représentant au moins les trois quarts de la totalité des voix des pays membres, transférer au Fonds une partie des bénéfices nets des ressources ordinaires de capital ou des ressources interrégionales de capital pour l'exercice correspondant.

Avant de décider d'opérer un transfert au Fonds, l'Assemblée des Gouverneurs devra avoir reçu du Conseil des Directeurs Exécutifs un rapport sur l'opportunité d'un tel transfert, lequel tiendra compte, entre autres, (1) de la question de savoir si les réserves ont atteint un niveau suffisant; (2) de la question de savoir si les fonds transférés sont nécessaires pour les opérations du Fonds; (3) de ses répercussions, le cas échéant, sur la capacité d'emprunter de la Banque.

(c) La répartition visée au paragraphe (a) de la présente section se fera sur les ressources ordinaires de capital proportionnellement au nombre des actions du capital ordinaire détenues par chaque membre ainsi que sur les ressources interrégionales de capital proportionnellement au nombre des actions du capital interrégional détenues par chaque membre et, de même, les bénéfices nets transférés au Fonds conformément au paragraphe (b) de la présente section seront crédités au total des quotas de contributions au Fonds de chaque pays membre dans les proportions susmentionnées.

(d) Les paiements faits conformément au paragraphe (a) de la présente section seront effectués de la manière et dans la ou les monnaies que déterminera l'Assemblée. Si les paiements sont faits à un pays membre dans une monnaie autre que sa monnaie nationale, le transfert de cette monnaie et son emploi par le pays qui la reçoit ne pourront faire l'objet d'aucune restriction de la part d'un autre pays membre."

29. L'ARTICLE VIII, Section 2 (b) (ii), se lira comme suit:

"(ii) augmenter ou réduire le capital ordinaire et le capital interrégional autorisés de la Banque et les contributions au Fonds;"

30. L'ARTICLE VIII, Section 2 (b) (viii), (ix) et (x), se lira comme suit:

"(viii) approuver, après avoir pris connaissance des rapports de vérification des comptes, les bilans généraux et les états des pertes et profits de l'institution;

(ix) déterminer les réserves et fixer la répartition des bénéfices nets des ressources ordinaires de capital et des ressources interrégionales de capital et du Fonds;

(x) engager par contrat les services d'experts comptables étrangers à l'institution pour vérifier et certifier les bilans généraux ainsi que les états de pertes et profits de l'institution;"

31. L'ARTICLE VIII, Section 2 (e), se lira comme suit:

"(e) Le quorum pour toute séance de l'Assemblée des Gouverneurs sera constitué par la majorité absolue du nombre total des Gouverneurs, comprenant la majorité absolue des Gouverneurs des membres régionaux et représentant, au moins, les deux tiers du total des voix des pays membres."

32. L'ARTICLE VIII, Section 3 (b) (ii), se lira comme suit:

"(ii) Un Directeur Exécutif sera désigné par le membre qui possède le plus grand nombre d'actions de la Banque, deux Directeurs Exécutifs seront élus par les Gouverneurs des pays membres extra-régionaux, et au moins huit autres seront élus par les Gouverneurs des autres pays membres. Le nombre des Directeurs Exécutifs de la dernière catégorie et le mode d'élection de tous les Directeurs élus seront déterminés par le règlement

intérieur qu'adoptera l'Assemblée des Gouverneurs, à la majorité des trois quarts de la totalité des voix des pays membres, comprenant, en ce qui concerne les dispositions s'appliquant exclusivement à l'élection de Directeurs par les pays membres extra-régionaux, la majorité des deux tiers des Gouverneurs des pays membres extra-régionaux, et, en ce qui concerne les dispositions s'appliquant exclusivement au nombre et à l'élection de Directeurs par les autres pays membres, la majorité des deux tiers des Gouverneurs des membres régionaux. Toute modification du règlement susdit exigera pour son approbation la même majorité."

33. L'ARTICLE VIII, Section 3 (f), se lira comme suit:

"(f) Le quorum de toute réunion du Conseil des Directeurs Exécutifs sera constitué par la majorité absolue du nombre total des Directeurs, comprenant la majorité absolue des Directeurs des membres régionaux et représentant au moins deux tiers du total des voix des pays membres."

34. L'ARTICLE VIII, Section 4, se lira comme suit:

"Section 4. Votes

(a) Chaque pays membre disposera de 135 voix plus une voix pour chaque action qu'il possède dans le capital ordinaire et pour chaque action qu'il possède dans le capital interrégional de la Banque, étant entendu toutefois qu'en ce qui concerne toute augmentation du capital ordinaire ou interrégional autorisé, l'Assemblée des Gouverneurs pourra décider que les actions autorisées par cette augmentation ne jouiront pas du droit de vote et que cette augmentation de capital n'est pas soumise aux droits de préemption établis à l'Article II, Section 3 (b).

(b) Aucune augmentation de la souscription d'un pays membre quelconque soit au capital ordinaire, soit au capital interrégional, ne pourra être appliquée, et il est renoncé par le présent Accord à tout droit de souscription à cet égard, si elle avait pour effet de réduire le nombre des voix (i) des pays membres en voie de développement de la région à moins de 53,5 pour cent du nombre total des voix des pays membres; (ii) du pays membre qui possède le plus grand nombre d'actions de la Banque à moins de 34,5 pour cent dudit nombre total des voix; ou (iii) du Canada à moins de 4 pour cent dudit nombre total des voix.

(c) Dans les votes de l'Assemblée des Gouverneurs, chaque Gouverneur disposera du nombre de voix qui correspondent au pays membre qu'il représente. Sauf disposition expresse du contraire énoncée dans le présent Accord, toute question dont pourra connaître

l'Assemblée des Gouverneurs sera décidée à la majorité du total des voix des pays membres.

(d) Dans les votes du Conseil des Directeurs Exécutifs:

- (i) le Directeur désigné pourra émettre le nombre des voix qui correspondent au pays qui l'aura nommé;
- (ii) Chaque Directeur élu pourra émettre le nombre des voix qui auront contribué à son élection, lesquelles voix seront émises en bloc;
- (iii) sauf disposition expresse du contraire énoncée dans le présent Accord, toute question dont pourra connaître le Conseil des Directeurs Exécutifs sera décidée à la majorité du total des voix des pays membres."

35. L'ARTICLE VIII, Section 5 (a), se lira comme suit:

"(a) L'Assemblée des Gouverneurs élira, à la majorité de la totalité des voix des pays membres comprenant la majorité absolue des Gouverneurs des membres régionaux, le Président de la Banque, lequel, tant qu'il sera en fonction, ne pourra être ni Gouverneur, ni Directeur Exécutif, ni le Suppléant de l'un ou de l'autre.

Sous le contrôle du Conseil des Directeurs Exécutifs, le Président de la Banque dirigera les affaires courantes de la Banque, dont il sera aussi le chef du personnel. Il présidera également les réunions du Conseil des Directeurs Exécutifs, mais il n'aura pas le droit de vote, sauf en cas de partage égal des voix où il sera tenu d'émettre le vote décisif.

Le Président de la Banque sera le représentant légal de l'institution. Le Président de la Banque aura un mandat de cinq ans, et il est rééligible à des termes successifs. Il cessera ses fonctions lorsque l'Assemblée des Gouverneurs en aura ainsi décidé, à la majorité du total des voix des pays membres comprenant la majorité du total des voix des membres régionaux."

36. L'ARTICLE VIII, Section 5 (e), se lira comme suit:

"(e) La considération dominante dans le recrutement du personnel et la fixation des conditions d'emploi doit être la nécessité d'assurer à la Banque les services de personnes possédant les plus hautes qualités de rendement, de compétence et d'intégrité. Sera aussi tenu compte en considération l'importance du recrutement effectué sur une base géographique aussi large que possible, compte tenu du caractère régional de l'institution."

37. L'ARTICLE VIII, Section 6 (a), se lira comme suit:

"(a) La Banque publiera un rapport annuel contenant des états de comptes séparés dûment vérifiés et certifiés par des commissaires aux comptes en ce qui concerne les ressources ordinaires de capital et les ressources interrégionales de capital. Elle distribuera également tous les trois mois aux pays membres des résumés de sa situation financière et des états des pertes et profits faisant ressortir séparément les résultats des opérations ordinaires et des opérations sur ressources interrégionales pour la période en question."

38. L'ARTICLE IX, Section 2, premier paragraphe, se lira comme suit:

"Si un pays membre manque à l'une quelconque de ses obligations envers la Banque, celle-ci pourra prononcer sa suspension par une décision de l'Assemblée des Gouverneurs prise à la majorité des trois quarts du total des voix des pays membres, y compris la majorité des deux tiers du nombre total des Gouverneurs, laquelle devra comprendre, en cas de suspension d'un membre régional, la majorité des deux tiers des Gouverneurs des membres régionaux, et, en cas de suspension d'un membre extra-régional, la majorité des deux tiers des Gouverneurs des membres extra-régionaux."

39. L'ARTICLE IX, Section 3, sera modifié comme suit:

(1) La troisième phrase du paragraphe (d) (ii) se lira comme suit:

"Cependant, la Banque ne pourra retenir aucun montant à cause de la responsabilité éventuelle qu'aurait le pays en cas d'appels de paiement sur sa souscription en vertu de l'Article II, Section 4 (a) (ii), ou de l'Article IIA, Section 3 (c);"

(2) La deuxième phrase du paragraphe (d) (iii) se lira comme suit:

"De plus, le pays qui a cessé d'être membre restera encore tenu de répondre à tout appel concernant les souscriptions mentionnées à l'Article II, Section 4 (a) (ii), ou à l'Article IIA, Section 3 (c), dans la mesure où il aurait été obligé de le faire si la perte de capital s'était produite et si l'appel avait eu lieu à l'époque de la détermination du prix de rachat des actions."

40. L'ARTICLE X, Section 2, se lira comme suit:

"Section 2. Arrêt des opérations

La Banque peut mettre fin aux opérations par une décision de l'Assemblée des Gouverneurs prise à la majorité des trois quarts

du total des voix des pays membres, comprenant la majorité des deux tiers des Gouverneurs des membres régionaux. Après une telle décision, la Banque cessera immédiatement toutes ses activités, à l'exception de celles qui ont trait à la conservation, à la sauvegarde et à la réalisation de son actif ainsi qu'au règlement de ses obligations."

41. L'ARTICLE X, Section 3 (b), se lira comme suit:

"(b) Tous les créanciers directs seront payés d'abord sur les actifs de la Banque auxquels ces créances sont imputables, et ensuite sur les fonds recouvrés au titre du capital-actions à verser effectivement mais non payé et sur les fonds recouvrés au titre du capital-actions sujet à l'appel auxquels ces créances son imputables. Avant d'effectuer aucun paiement aux créanciers directs, le Conseil des Directeurs Exécutifs devra prendre toutes les dispositions qu'il jugera nécessaires pour assurer une distribution au prorata entre les créanciers porteurs d'obligations directes et les créanciers porteurs d'obligations éventuelles."

42. L'ARTICLE X, Section 4 (a), se lira comme suit:

"(a) Aucune répartition d'actifs ne sera faite entre les pays membres au titre de leurs souscriptions au capital-actions de la Banque avant que toutes les obligations envers les créanciers imputables à ce capital-actions n'aient été réglées ou que provision pour leur paiement n'ait été effectuée. Cette répartition devra, en outre, être approuvée par une décision de l'Assemblée des Gouverneurs prise à la majorité des trois quarts du total des voix des pays membres, comprenant la majorité des deux tiers des Gouverneurs des membres régionaux."

43. L'ARTICLE XII, paragraphes (a) et (b), se lira comme suit:

"(a) (i) Le présent Accord pourra être amendé par décision de l'Assemblée des Gouverneurs prise à la majorité du nombre total des Gouverneurs comprenant les deux tiers des Gouverneurs des membres régionaux et représentant au moins les trois quarts du total des voix des pays membres, étant entendu toutefois que les majorités prévues à l'Article II, Section 1 (b), ne peuvent être modifiées qu'aux majorités qui y sont énoncées.

(ii) Les articles pertinents de l'Accord pourront être modifiés comme prévu au paragraphe (a) (i) ci-dessus pour permettre la fusion du capital interrégional et du capital ordinaire au moment où la Banque se sera libérée de ses obligations au titre de tous les fonds qu'elle a empruntés pour être incorporés au capital ordinaire et qui n'étaient pas remboursés au 31 décembre 1974.

(b) Nonobstant les dispositions du paragraphe (a) ci-dessus, l'unanimité des voix de l'Assemblée des Gouverneurs est requise pour l'adoption de tout amendement portant sur:

- (i) le droit de se retirer de la Banque, prévu à l'Article IX, Section 1;
- (ii) le droit d'acheter des actions de la Banque et de contribuer au Fonds, prévu à l'Article II, Section 3 (b) et à l'Article IV, Section 3 (g), respectivement;
- (iii) la limitation de la responsabilité, prévue à l'Article II, Section 3 (d), à l'Article IIA, Section 2 (e), et à l'Article IV, Section 5."

SECTION 2. Entrée en vigueur

Les amendements qui précédent entreront en vigueur à la date à laquelle la communication officielle certifiant leur adoption aura été adressée aux membres conformément à l'Article XII (c) de l'Accord constitutif de la Banque.

(Approuvée le 1 juin 1976)

BANCO INTERAMERICANO DE DESENVOLVIMENTO

RESOLUÇÃO AG-9/76

MODIFICAÇÕES DO CONVÊNIO CONSTITUTIVO DO BANCO
RELATIVAS À CRIAÇÃO DO CAPITAL INTER-REGIONAL
DO BANCO E MATÉRIAS CORRELATAS

A Assembleia de Governadores,

CONSIDERANDO que o Artigo II, Seção 1 (b), do Convênio Constitutivo do Banco dispõe que países extra-regionais, membros do Fundo Monetário Internacional, e a Suíça, podem ser admitidos como membros do Banco, de acordo com as normas gerais que a Assembleia de Governadores houver estabelecido;

CONSIDERANDO que certos países extra-regionais exprimiram seu interesse em ser membros do Banco; e

CONSIDERANDO que a Assembleia de Governadores concluiu que seria conveniente admitir tais países extra-regionais como membros do Banco e que a admissão desses países deve efetivar-se mediante (i) a modificação do Convênio Constitutivo do Banco estabelecendo, entre outros assuntos, a criação de uma nova categoria de capital que se denominará capital inter-regional do Banco; (ii) a adoção de normas gerais sobre a admissão de países membros extra-regionais, contendo disposições sobre um aumento dos recursos do Fundo para Operações Especiais; e (iii) um aumento do capital ordinário autorizado do Banco; e

CONSIDERANDO que o Artigo XII do Convênio Constitutivo dispõe sobre o processo de modificar o Convênio;

RESOLVE:

SEÇÃO 1. Modificações

O Convênio Constitutivo do Banco será modificado como se segue:

1. A Seção 1 do ARTIGO I dirá:

"Seção 1. Objetivo

O Banco terá por objetivo contribuir para acelerar o processo de desenvolvimento econômico e social, individual e coletivo, dos países membros regionais em vias de desenvolvimento."

2. A Seção 1 (b) do ARTIGO II dirá:

"(b) Os demais membros da Organização dos Estados Americanos, o Canadá, as Baamas e a Guiana, poderão ingressar no Banco nas datas e nas condições que o Banco determinar.

Também poderão ser admitidos no Banco os países extra-regionais que sejam membros do Fundo Monetário Internacional, e a Suíça, nas datas e de acordo com as normas gerais que a Assembleia de Governadores houver estabelecido. As referidas normas gerais somente poderão ser modificadas por decisão da Assembleia de Governadores, pela maioria de dois terços do número total dos Governadores, que inclua dois terços dos Governadores dos países membros extra-regionais e que represente, pelo menos, três quartos do total de votos dos países membros."

3. O ARTIGO II será modificado acrescentando-se uma nova Seção depois da Seção 1, como se segue:

"Seção 1A. Categorias de recursos

Os recursos do Banco serão constituídos do capital ordinário, previsto neste artigo, do capital inter-regional, previsto no Artigo IIA, e dos recursos do Fundo para Operações Especiais (doravante denominado Fundo), estabelecido no Artigo IV."

4. A Seção 2 do ARTIGO II dirá:

"Seção 2. Capital ordinário autorizado

(a) O capital ordinário autorizado do Banco será, inicialmente, de \$850.000.000 (oitocentos e cinqüenta milhões) de dólares dos Estados Unidos da América, do peso e título em vigor em 19 de janeiro de 1959, dividido em 85.000 (oitenta e cinco mil) ações, com um valor par de \$10.000 (dez mil) dólares cada uma, as quais estarão à disposição dos países membros para serem subscritas, de conformidade com a Seção 3 deste artigo.

(b) O capital ordinário autorizado se dividirá em ações de capital realizado e ações de capital exigível. O equivalente a \$400.000.000 (quatrocentos milhões) de dólares corresponderá ao capital realizado e o equivalente a \$450.000.000 (quatrocentos e cinqüenta milhões) de dólares corresponderá ao capital exigível para os fins especificados na Seção 4 (a)(ii) deste artigo.

(c) O capital ordinário indicado no parágrafo (a) desta seção será aumentado de \$500.000.000 (quinquzentos milhões) de dólares, em termos de moeda dos Estados Unidos da América, de peso e título vigentes em 19 de janeiro de 1959, logo que:

- (i) haja transcorrido o prazo para o pagamento de todas as subscrições, fixado de acordo com o disposto na Seção 4 deste artigo; e
- (ii) o aumento indicado de \$500.000.000 (quinhentos milhões) de dólares seja aprovado por maioria de três quartos do total de votos dos países membros, em reunião ordinária ou extraordinária da Assembleia de Governadores celebrada o mais breve possível após o prazo referido no inciso (i) deste parágrafo.

(d) O aumento de capital previsto no parágrafo anterior será feito sob a forma de capital exigível.

(e) Sem prejuízo do disposto nos parágrafos (c) e (d) desta seção e observadas as disposições do Artigo VIII, Seção 4 (b), o capital ordinário autorizado poderá ser aumentado quando a Assembleia de Governadores o considere conveniente e na forma que decida a maioria de três quartos do total de votos de países membros, que inclua a maioria de dois terços dos Governadores dos países membros regionais.

(f) Sempre que o capital inter-regional autorizado for aumentado, de acordo com o Artigo IIA, Seção 1 (c), e um país membro exercer o direito de opção previsto no Artigo II, Seção 3 (f), o capital ordinário será aumentado na importância necessária para permitir que tal país membro exerça esse direito de opção e o capital inter-regional disponível para a respectiva subscrição será reduzido em importância equivalente e devidamente cancelado."

5. A Seção 3 do ARTIGO II dirá:

"Seção 3. Subscrição de ações

(a) Todos os países membros regionais subscreverão ações de capital ordinário do Banco e os países membros extra-regionais poderão subscrever estas ações, nos termos do parágrafo (b) desta seção e de acordo com as condições que forem estabelecidas pela Assembleia de Governadores. O número de ações a serem subscritas pelos membros fundadores será o estipulado no Anexo A deste Convênio, que determina a obrigação de cada membro em relação ao capital realizado e ao capital exigível. O Banco determinará o número de ações a serem subscritas pelos demais membros.

(b) Nos casos de aumento do capital ordinário a que se refere a Seção 2, parágrafos (c) e (e) deste artigo, ou de aumento do capital inter-regional, de acordo com o Artigo IIA, Seção 1 (c), ou de aumento tanto do capital ordinário como do inter-regional,

todos os países membros terão o direito, condicionado aos termos estabelecidos pelo Banco, a uma quota do aumento de ações equivalentes à proporção que suas ações, até então subscritas, mantenham com o capital total do Banco. Entretanto, nenhum país membro estará obrigado a subscrever tais aumentos de capital.

(c) As ações de capital ordinário subscritas inicialmente pelos membros fundadores serão emitidas ao par. As demais ações também serão emitidas ao par, a não ser que o Banco, por circunstâncias especiais, decida emití-las em outras condições.

(d) A responsabilidade dos países membros com respeito às ações de capital ordinário se limitará à parte não paga do seu preço de emissão.

(e) As ações de capital ordinário do Banco não poderão ser dadas em garantia, não poderão ser gravadas de forma alguma e só serão transferíveis ao Banco.

(f) Qualquer país membro que tenha o direito de subscrever capital inter-regional do Banco na forma do disposto no parágrafo (b) desta seção, terá a opção de renunciar a esse direito e de subscrever, alternativamente, um montante equivalente do capital ordinário."

6. A Seção 4 (a) do ARTIGO II será modificada como se segue:

- (1) No preâmbulo da frase "ações de capital" deverá dizer "ações de capital ordinário".
- (2) Na primeira frase do inciso (ii) a expressão "ações de capital" dirá "ações de capital ordinário" e a referência ao "Artigo III, Seção 4 (ii) e (iii)" será mudada para "Artigo III, Seção 4 (ii) e (v)".

7. A Seção 5 do ARTIGO II dirá:

"Seção 5. Recursos ordinários de capital do Banco

Fica entendido que, neste Convênio, o termo "recursos ordinários de capital do Banco" corresponderá aos seguintes recursos:

- (i) capital ordinário autorizado, que se divide em ações de capital realizado e ações de capital exigível, de acordo com o disposto nas Seções 2 e 3 deste artigo;

- (ii) todos os fundos provenientes de empréstimos obtidos pelo Banco, na forma do disposto no Artigo VII, Seção 1 (i), e aos quais se aplique o compromisso previsto na Seção 4 (a)(ii) deste artigo;
 - (iii) todos os fundos recebidos em reembolso de empréstimos concedidos pelo Banco com os recursos indicados nos incisos (i) e (ii) desta seção;
 - (iv) toda receita derivada de empréstimos concedidos pelo Banco com os fundos acima indicados, ou derivada de garantias às quais se aplique o compromisso indicado na Seção 4 (a)(ii) deste artigo; e
 - (v) todas as demais receitas provenientes de quaisquer dos recursos mencionados anteriormente."
8. Acrescentar-se-á ao Convênio o ARTIGO IIIA, depois do ARTIGO III, como se segue:
- "ARTIGO IIIA. CAPITAL INTER-REGIONAL DO BANCO
- Seção 1. Capital inter-regional autorizado
- (a) O capital inter-regional autorizado do Banco será, inicialmente, de \$420.000.000 (quatrocentos e vinte milhões) de dólares dos Estados Unidos da América, do peso e título em vigor em 1º de janeiro de 1959, dividido em 42.000 (quarenta e duas mil) ações, com um valor par de \$10.000 (dez mil) dólares cada uma, as quais estarão à disposição dos países membros para serem subscritas, de conformidade com a Seção 2 deste artigo.
 - (b) O capital inter-regional autorizado será dividido em ações de capital realizado e ações de capital exigível. Do capital inter-regional autorizado inicial, o equivalente a \$70.000.000 (setenta milhões) de dólares constituirá o capital a ser realizado e o equivalente a \$350.000.000 (trezentos e cinqüenta milhões) de dólares constituirá capital exigível para os fins especificados na Seção 3 (c) deste artigo.
 - (c) Observadas as disposições do Artigo VIII, Seção 4(b), o capital inter-regional autorizado poderá ser aumentado quando a Assembléia de Governadores entender aconselhável e da maneira que for deliberada pela maioria de dois terços do total do número dos votos dos Governadores, incluindo dois terços dos Governadores dos países membros regionais, representando não menos do que três quartos da totalidade dos votos dos países membros.

(d) Sempre que o capital ordinário autorizado for aumentado, de acordo com o Artigo II, Seção 2 (e), e um país membro exercer o direito de opção previsto no Artigo IIA, Seção 2 (g), o capital inter-regional será aumentado na importância necessária para permitir que tal país membro exerça esse direito de opção e o capital ordinário disponível para a respectiva subscrição será reduzido em importância equivalente e devidamente cancelado.

Seção 2. Subscrição de ações do capital inter-regional

(a) Todos os países membros extra-regionais subscreverão ações do capital inter-regional, e os países membros regionais poderão subscrever estas ações, de acordo com os termos do Artigo II, Seção 3 (b), e de acordo com as condições que a Assembleia de Governadores, observadas as disposições desta seção, estabelecer.

(b) A subscrição de cada membro original do grupo de países extra-regionais será o número de ações de capital inter-regional realizado e de capital inter-regional exigível que for determinado pelo Banco. A subscrição, incluindo a forma de pagamento, de qualquer novo país membro extra-regional, será estabelecida pelo Banco, levando em consideração as condições estabelecidas para as subscrições já existentes.

(c) Os países membros regionais poderão subscrever o capital inter-regional nos termos que o Banco estabelecer, levando em consideração as condições estabelecidas para subscrição de países membros extra-regionais.

(d) As ações do capital inicial inter-regional autorizado serão emitidas ao par. As demais ações também serão emitidas ao par, a não ser que o Banco, por circunstâncias especiais, decida emití-las em outras condições.

(e) A responsabilidade dos países membros com respeito às ações do capital inter-regional se limitará à parte não paga do seu preço de emissão.

(f) As ações do capital inter-regional não poderão ser dadas em garantia, não poderão ser gravadas de forma alguma e só serão transferíveis ao Banco.

(g) Qualquer país membro que tenha o direito de subscrever capital ordinário do Banco, de acordo com o disposto no Artigo II, Seção 3 (b), terá a opção de renunciar a esse direito e de subscrever, alternativamente, um montante equivalente do capital inter-regional.

Seção 3. Pagamento das subscrições de capital inter-regional

(a) O pagamento do montante subscrito do capital inter-regional realizado por cada país membro será feito integralmente na moeda do respectivo país membro, o qual tomará as providências que o Banco reputa satisfatórias para assegurar, de acordo com o disposto no Artigo V, Seção 1 (c), que sua moeda será livremente conversível nas moedas dos outros países para os fins das operações do Banco.

(b) Os pagamentos de um país membro, conforme o disposto no parágrafo (a) desta seção, serão efetuados no montante que, na opinião do Banco, seja equivalente — em termos de dólares dos Estados Unidos da América, de peso e título vigentes em 1º de janeiro de 1959 — à parcela da subscrição que está sendo paga. O montante do pagamento inicial será aquele que os países membros reputem adequado e estará sujeito aos ajustes — a serem efetuados dentro de 60 dias a contar da data de vencimento do pagamento — que o Banco considere necessários para que se constitua, nos termos acima mencionados, o equivalente do montante integral em dólares.

(c) O montante correspondente às ações de capital inter-regional exigível só ficará sujeito a chamada quando for necessário para atender às obrigações do Banco que se originem na conformidade do disposto no Artigo III, Seção 4 (iv) e (v), contanto que as referidas obrigações correspondam a empréstimos de fundos obtidos para formar parte dos recursos inter-regionais de capital do Banco, ou a garantias debitáveis a esses recursos. Verificando-se a chamada de capital, o pagamento poderá ser feito, a critério do país membro, em moeda totalmente conversível de um país membro ou na moeda que seja necessária para cumprir as obrigações do Banco que motivaram a chamada.

As chamadas de capital inter-regional exigível serão proporcionalmente uniformes para todas as ações.

Seção 4. Recursos inter-regionais de capital

Fica entendido que, neste Convênio, o termo "recursos inter-regionais de capital" do Banco definirá o seguinte:

- (i) capital inter-regional autorizado, que se divide em ações de capital realizado e ações de capital exigível, subscrito de acordo com o disposto na Seção 2 deste artigo;

- (ii) todos os fundos provenientes de empréstimos autorizados pelo Artigo VII, Seção 1 (i), e aos quais se aplique o compromisso previsto na Seção 3 (c) deste artigo;
- (iii) todos os fundos recebidos em reembolso de empréstimos concedidos pelo Banco com os recursos indicados nos incisos (i) e (ii) desta seção;
- (iv) toda receita derivada de empréstimos concedidos pelo Banco com os fundos acima indicados ou de garantias às quais se aplique o compromisso indicado na Seção 3 (c) deste artigo; e
- (v) todas as demais receitas provenientes de quaisquer dos recursos mencionados anteriormente."

9. A Seção 2 do ARTIGO III dirá:

"Seção 2. Categorias de operações

- (a) As operações do Banco se dividirão em operações ordinárias, operações com recursos inter-regionais e operações especiais.
- (b) Serão operações ordinárias as financiadas com os recursos ordinários de capital do Banco, especificados no Artigo II, Seção 5. Serão operações com recursos inter-regionais as financiadas com os recursos inter-regionais de capital do Banco, especificadas no Artigo IIA, Seção 4. Ambos os tipos de operações corresponderão, exclusivamente, àqueles empréstimos que o Banco conceda ou garanta, ou nos quais o Banco tenha participado, e que só sejam reembolsáveis na mesma moeda ou moedas em que os empréstimos tenham sido concedidos. Essas operações estarão sujeitas às condições e termos que o Banco considere convenientes, de acordo com as disposições deste Convênio.

- (c) Serão operações especiais as financiadas com os recursos do Fundo, de acordo com o disposto no Artigo IV."

10. A Seção 3 do ARTIGO III dirá:

"Seção 3. Princípio básico de separação

- (a) Observadas as disposições do Artigo XII(a)(ii), relativas a emendas, os recursos ordinários de capital especificados no Artigo II, Seção 5, os recursos inter-regionais de capital especificados no Artigo IIA, Seção 4, e os recursos do Fundo, conforme definidos no Artigo IV, Seção 3 (h), dever-se-ão sempre manter, utilizar, comprometer, investir ou, de qualquer outro modo, deles se deverá dispor, de forma completamente independente uns dos outros.

(b) Os recursos ordinários de capital e os recursos inter-regionais de capital não poderão ser, em nenhuma circunstância, gravados ou empregados para cobrir perdas ou cumprir obrigações resultantes de operações para as quais se tenham utilizado ou comprometido, inicialmente, recursos do Fundo.

(c) Os recursos ordinários de capital não poderão ser, em nenhuma circunstância, gravados ou empregados para cobrir perdas ou cumprir obrigações debitáveis aos recursos inter-regionais de capital e, ressalvado o estabelecido no Artigo VII, Seção 3 (d), os recursos inter-regionais de capital não poderão ser, em nenhuma circunstância, gravados ou empregados para cobrir perdas ou cumprir obrigações debitáveis aos recursos ordinários de capital.

(d) Os extratos de conta do Banco indicarão, separadamente, as operações financiadas com os recursos ordinários de capital, as operações financiadas com os recursos inter-regionais de capital e as operações especiais, e o Banco estabelecerá as demais normas administrativas necessárias para assegurar a separação efetiva dos três tipos de operações.

(e) As despesas diretamente relacionadas com as operações ordinárias serão debitadas aos recursos ordinários de capital. As despesas diretamente relacionadas com as operações com recursos inter-regionais de capital serão debitadas aos recursos inter-regionais de capital. As despesas diretamente relacionadas com as operações especiais serão debitadas aos recursos do Fundo. As outras despesas serão escrituradas na forma que o Banco determinar."

11. Os incisos (i) a (v), inclusive, da Seção 4 do ARTIGO III, dirão:

- "(i) concedendo empréstimos diretos ou deles participando com fundos correspondentes a seu capital ordinário realizado, livre de encargos, e, salvo o disposto na Seção 13 deste artigo, com suas reservas e com seus lucros acumulados não distribuídos; ou com os recursos do Fundo, livres de encargos;
- (ii) concedendo empréstimos diretos ou deles participando, com fundos obtidos nos mercados de capital, adquiridos por empréstimo ou de qualquer outra forma, para serem incorporados aos recursos ordinários de capital do Banco ou aos recursos do Fundo;
- (iii) concedendo empréstimos diretos ou deles participando com fundos correspondentes ao capital inter-regional realizado, livre de encargos, inclusive com quaisquer reservas e lucros acumulados não distribuídos relativos a esses recursos;

- (iv) concedendo empréstimos diretos ou deles participando com fundos obtidos pelo Banco nos mercados de capital, adquiridos por empréstimo ou de qualquer outra forma, para serem incorporados aos recursos inter-regionais de capital do Banco; e
- (v) garantindo, com os recursos ordinários de capital, os recursos inter-regionais de capital ou os recursos do Fundo, total ou parcialmente, empréstimos concedidos, salvo casos especiais, por inversionistas privados."

12. A Seção 5 do ARTIGO III dirá:

"Seção 5. Limitação das operações

- (a) O montante total não liquidado de empréstimos e garantias concedidos pelo Banco, em suas operações ordinárias, nunca poderá exceder o montante total do capital ordinário subscrito do Banco, livre de encargos, mais as rendas líquidas não distribuídas e as reservas livres de encargos, incluídos nos recursos ordinários de capital do Banco, especificados no Artigo II, Seção 5, exceto aquelas receitas dos recursos ordinários de capital destinadas à reserva especial estabelecida de acordo com a Seção 13 deste artigo e outras receitas destinadas, por decisão da Assembleia de Governadores, a reservas indisponíveis para empréstimos e garantias.
- (b) O montante total não liquidado de empréstimos e garantias concedidos pelo Banco, nas suas operações com recursos inter-regionais, nunca poderá exceder o montante total do capital inter-regional subscrito do Banco, livre de encargos, mais as rendas líquidas não distribuídas e as reservas livres de encargos, incluídos nos recursos inter-regionais de capital do Banco, especificados no Artigo IIIA, Seção 4, exceto as receitas dos recursos inter-regionais de capital destinadas, por decisão da Assembleia de Governadores, a reservas indisponíveis para empréstimos e garantias.
- (c) No caso de empréstimos concedidos com fundos de empréstimo obtido pelo Banco, a que se aplique o compromisso previsto no Artigo II, Seção 4 (a)(ii), o capital total devido ao Banco, em uma moeda determinada, nunca excederá o saldo do capital dos empréstimos em vigor obtidos pelo Banco para incorporação aos seus recursos ordinários de capital e que este deva pagar na mesma moeda.
- (d) No caso de empréstimos concedidos com fundos de empréstimo obtido pelo Banco, a que se aplique o compromisso previsto no Artigo IIIA, Seção 3 (c), o capital total devido ao Banco, em uma moeda determinada, nunca excederá o saldo do capital dos empréstimos em vigor obtidos pelo Banco para incorporação aos seus recursos inter-regionais de capital e que este deva pagar na mesma moeda."

13. A Seção 9 (a) do Artigo III dirá:

"(a) Salvo o disposto no Artigo V, Seção 1, o Banco não imporá condição alguma, nem no sentido de que o produto de um empréstimo se gaste no território de país determinado, nem no sentido de que tal produto não se gaste nos territórios de qualquer país membro ou países membros, ficando estabelecido, entretanto, com respeito a qualquer aumento dos recursos do Banco, que a questão da restrição de aquisições e contratações pelo Banco ou por qualquer país membro, relativamente aos países membros que não participarem de um aumento nos termos e condições estipulados pela Assembleia de Governadores, poderá ser decidida pela Assembleia de Governadores."

14. O "caput" da Seção 10 do ARTIGO III dirá:

"Nos contratos de empréstimos diretos feitos pelo Banco de acordo com a Seção 4 deste artigo, se estabelecerão:"

15. A Seção 2 do ARTIGO IV dirá:

"Seção 2. Disposições aplicáveis

O Fundo se regerá pelas disposições do presente artigo e pelas demais normas deste Convênio, exceto as que contrariem o estipulado neste artigo e as que se refiram expressa e exclusivamente às outras operações do Banco."

16. A Seção 3 (b) do Artigo IV dirá:

"(b) Os membros da Organização dos Estados Americanos que ingressarem no Banco após a data fixada no Artigo XV, Seção 1 (a), o Canadá, as Baamas e a Guiana, e os outros países que sejam admitidos de acordo com o Artigo II, Seção 1(b), contribuirão para o Fundo com as quotas e nos termos que o Banco determinar."

17. A Seção 3 (g) do Artigo IV dirá:

"(g) Os recursos do Fundo serão aumentados mediante contribuições adicionais dos países membros, quando a Assembleia de Governadores o considere conveniente, por decisão da maioria de três quartos do total de votos dos países membros. As disposições do Artigo II, Seção 3 (b), serão aplicadas aos referidos aumentos, em termos das proporções entre a quota vigente de cada país e o total dos recursos com que os países membros tenham contribuído para o Fundo. Nenhum país membro, contudo, estará obrigado a contribuir para os referidos aumentos."

18. A Seção 3 (h)(ii) do ARTIGO IV dirá:

"(ii) todos os fundos provenientes de empréstimos obtidos pelo Banco aos quais não se apliquem os compromissos estipulados no Artigo II, Seção 4 (a)(ii), e no Artigo IIA, Seção 3 (c), por serem especificamente debitáveis aos recursos do Fundo;"

19. A Seção 8 (c) do ARTIGO IV dirá:

"(c) O Banco utilizará, nas operações do Fundo, sempre que possível, o pessoal, os técnicos, as instalações, os escritórios, os materiais e os serviços que utilizar em suas outras operações."

20. A Seção 9 (a) do Artigo IV dirá:

"(a) Nas decisões relativas às operações do Fundo, cada país membro do Banco terá na Assembleia de Governadores o número de votos que lhe cabe de acordo com o disposto no Artigo VIII, Seção 4 (a) e (c), e cada Diretor terá na Diretoria Executiva o número de votos que lhe cabe de acordo com o Artigo VIII, Seção 4 (a) e (d)."

21. A Seção 12 do ARTIGO IV dirá:

"Seção 12. Suspensão e término

As disposições do Artigo X são também aplicáveis ao Fundo, substituindo-se os termos relativos ao Banco, a seus recursos de capital e a seus credores respectivos, pelos termos relativos ao Fundo, a seus recursos e a seus respectivos credores."

22. A Seção 1 do ARTIGO V dirá:

"Seção 1. Emprego de moedas

(a) A moeda de qualquer país membro que o Banco tenha em seu poder, como parte dos seus recursos ordinários de capital, dos seus recursos inter-regionais de capital ou dos recursos do Fundo, qualquer que seja a maneira em que a tenha adquirido, poderá ser empregada pelo Banco ou por quem a receba do Banco, sem restrições de parte do país membro, para efetuar pagamentos de bens e serviços produzidos no território do mencionado país.

(b) Os países membros não poderão manter ou impor medidas de nenhuma classe que restrinjam o emprego dos seguintes recursos - pelo Banco, ou por quem os receba do Banco - para efetuar pagamentos em qualquer país:

- (i) o ouro e os dólares que o Banco receba em pagamento de 50 por cento da subscrição de cada país membro pelas ações de capital ordinário do Banco e de 50 por cento de sua quota de contribuição ao Fundo, de acordo com o disposto no Artigo II e no Artigo IV, respectivamente; e as moedas que o Banco receba em pagamento da parcela equivalente à subscrição de cada membro relativa às ações do capital inter-regional, de acordo com o disposto no Artigo IIIA;
 - (ii) as moedas dos países membros compradas pelo Banco com os recursos mencionados no inciso anterior;
 - (iii) as moedas obtidas por meio de empréstimo, de acordo com o disposto no Artigo VII, Seção 1 (i), para serem incorporadas aos recursos de capital do Banco;
 - (iv) o ouro e os dólares que o Banco receba em reembolso do principal, e em pagamento dos juros e outros encargos de empréstimos concedidos com o ouro e os dólares referidos no inciso (i) deste parágrafo; as moedas recebidas pelo Banco como pagamento por conta do principal, juros e outros encargos, de empréstimos efetuados com a parcela do capital inter-regional referida no inciso (i) deste parágrafo; as moedas que recebea em reembolso do principal, e em pagamento dos juros e outros encargos de empréstimos concedidos com as moedas a que se referem os incisos (ii) e (iii) deste parágrafo; e as moedas que recebea em pagamento de comissões e direitos sobre as garantias concedidas; e
 - (v) as moedas, que não sejam as do país membro, e que o mesmo receba do Banco, em virtude do Artigo VII, Seção 4 (d), e do Artigo IV, Seção 10, pela distribuição da renda líquida.
- (c) A moeda de qualquer país membro em poder do Banco, incluída em seus recursos ordinários de capital, em seus recursos inter-regionais de capital, ou nos recursos do Fundo, e não mencionada no parágrafo (b) desta seção, pode ser também utilizada pelo Banco ou por quem a receba do Banco para fazer pagamentos em qualquer país, sem restrição de nenhuma espécie, a menos que o país membro notifique ao Banco desejar que sua moeda, no todo ou em parte, seja utilizada apenas para os fins indicados no parágrafo (a) anterior.
- (d) Os países membros não poderão impor medida alguma que restrinja a faculdade do Banco de possuir e empregar - seja para pagamentos de amortização, seja para pagamentos antecipados de

suas próprias obrigações, seja para readquirir em parte ou totalmente essas obrigações - as moedas que receba em reembolso de empréstimos diretos concedidos com fundos obtidos em empréstimos pelo Banco e que formem parte dos recursos ordinários ou inter-regionais de capital do Banco.

(e) O ouro e as moedas em poder do Banco, incluídos em seus recursos ordinários de capital, em seus recursos inter-regionais de capital ou nos recursos do Fundo, não poderão ser utilizados pelo mesmo na compra de outras moedas, a menos que autorizado por uma maioria de dois terços do total de votos dos países membros. As moedas adquiridas de acordo com este parágrafo não estarão sujeitas às disposições sobre manutenção do valor a que se refere a Seção 3 deste artigo."

23. A Seção 3 do ARTIGO V dirá:

"Seção 3. Manutenção do valor das moedas em poder do Banco

(a) Sempre que, no Fundo Monetário Internacional, seja reduzido o valor par da moeda de um país membro, ou sempre que o valor cambial da moeda do país membro sofra, na opinião do Banco, uma depreciação considerável, o país membro pagará ao Banco, num prazo razoável, uma quantia adicional de sua própria moeda, suficiente para manter o valor do volume total da mesma em poder do Banco - seja em seus recursos ordinários de capital, ou seja nos recursos do Fundo - excluída a procedente de empréstimos obtidos pelo Banco. O padrão de valor para este fim será o do dólar dos Estados Unidos da América de peso e título vigentes em 1º de janeiro de 1959.

(b) Sempre que, no Fundo Monetário Internacional, se aumente o valor par da moeda de um país membro, ou sempre que o valor cambial da moeda do país membro sofra, na opinião do Banco, um aumento considerável, o Banco restituirá ao país membro, num prazo razoável, uma quantia na moeda desse membro igual ao aumento no valor do volume total da mesma em poder do Banco - seja em seus recursos ordinários de capital, seja em seus recursos inter-regionais de capital, ou seja nos recursos do Fundo - excluída a procedente de empréstimos obtidos pelo Banco. O padrão de valor para este fim será o mesmo indicado no parágrafo anterior.

(c) O Banco poderá deixar de aplicar o disposto nesta seção, quando o Fundo Monetário Internacional alterar em igual proporção o valor par das moedas de todos os países membros do Banco.

(d) Não obstante o estabelecido em outras disposições desta seção, os termos e condições de qualquer aumento dos recursos do Fundo, na forma do Artigo IV, Seção 3 (g), poderão incluir cláusulas sobre manutenção de valor de moedas diversas das previstas nessa seção, que seriam aplicadas aos recursos do Fundo contribuídos para esse aumento."

24. A Seção 4 do ARTIGO V dirá:

"Seção 4. Formas de conservar moedas

Sempre que não tenha necessidade de determinada moeda para as suas operações, o Banco aceitará, de qualquer membro, notas promissórias ou valores semelhantes - emitidos pelo governo do país membro ou pelo depositário designado por esse membro - por conta de qualquer parcela da porcentagem de 50 por cento da subscrição do capital ordinário autorizado do Banco e de 50 por cento da subscrição dos recursos do Fundo que, de acordo com o disposto no Artigo II e no Artigo IV, respectivamente, são pagáveis em moeda nacional. Tais notas ou valores não serão negociáveis, não vencerão juros e serão pagáveis ao Banco em seu valor par, quando este o exigir. Nas mesmas condições, o Banco também aceitará tais notas ou valores em substituição de qualquer parcela da subscrição de um país membro ao capital inter-regional que, nos termos da subscrição, não deva ser paga em dinheiro."

25. A Seção 3 (b) do ARTIGO VI dirá:

"(b) Os gastos com a assistência técnica que não sejam pagos pelos beneficiários serão cobertos com as receitas líquidas dos recursos ordinários de capital, dos recursos inter-regionais de capital ou com as do Fundo. Contudo, durante os três primeiros anos de operações, o Banco poderá utilizar, para cobrir esses gastos, até um total de três por cento dos recursos iniciais do Fundo."

26. A segunda frase da Seção 1 (i) do ARTIGO VII dirá:

"Outrossim, nos casos em que o Banco solicite empréstimos de fundos a serem acrescidos a seus recursos ordinários de capital ou a seus recursos inter-regionais de capital, deverá obter a aprovação dos países acima mencionados para que o produto do empréstimo possa ser trocado, sem restrição, na moeda de qualquer outro país;"

27. A Seção 3 do ARTIGO VII dirá:

"Seção 3. Formas de cumprir com os compromissos do Banco em casos de mora

(a) O Banco, em caso que ocorra ou se preveja a mora no reembolso dos empréstimos que conceda ou garanta com seus recursos ordinários de capital ou com seus recursos inter-regionais de capital, tomará as medidas que considere convenientes para modificar as condições do empréstimo, exceto aquelas referentes à moeda em que o pagamento se deva efetuar.

(b) Os pagamentos a serem feitos pelo Banco, para cumprir com os compromissos resultantes de empréstimos obtidos ou de garantias concedidas, a que se refere o Artigo III, Seção 4 (ii) e (v), e que devam ser debitados aos recursos ordinários de capital do Banco, serão debitados:

(i) primeiro, à reserva especial prevista no Artigo III, Seção 13; e

(ii) depois, até a quantia necessária e a critério do Banco, às outras reservas, aos lucros acumulados e aos fundos correspondentes ao capital pago por ações do capital ordinário.

(c) Quando for necessário efetuar pagamentos contratuais de amortizações, de juros ou de outros encargos referentes a empréstimos obtidos pelo Banco pagáveis com seus recursos ordinários de capital, ou cumprir com compromissos semelhantes referentes a garantias pelo mesmo concedidas e que devam ser debitados aos recursos ordinários de capital do Banco, este poderá requerer dos países membros o pagamento de uma quantia adequada de suas subscrições de capital ordinário exigível, de conformidade com o Artigo II, Seção 4 (a)(ii). Outrossim, se o Banco entender que a situação de mora tende a prolongar-se, poderá exigir o pagamento de uma parte adicional das mencionadas subscrições, que não exceda, em um ano, um por cento da subscrição total dos países membros dos recursos ordinários de capital, para os seguintes fins:

(i) resgatar, antes de seu vencimento, a totalidade ou parte do saldo do principal do empréstimo garantido pelo Banco debitável aos seus recursos ordinários de capital ou cumprir de outro modo seu compromisso com respeito a tal empréstimo; e

(ii) readquirir a totalidade ou parte das obrigações pendentes emitidas pelo Banco ou cumprir de outro modo seus compromissos com relação a essas obrigações pagáveis com seus recursos ordinários de capital.

(d) As obrigações do Banco resultantes de todos os empréstimos de fundos a serem acrescidos a seus recursos ordinários de capital, que estiverem pendentes de amortização em 31 de dezembro de 1974, serão pagáveis tanto com os recursos ordinários de capital como com os recursos inter-regionais de capital, incluindo as subscrições do capital inter-regional exigível, sem prejuízo do disposto no Artigo IIA, Seção 3 (c); não obstante, o Banco empreenderá seus melhores esforços para cumprir suas obrigações resultantes de tais empréstimos pendentes de amortização com os recursos ordinários de capital, de acordo com os parágrafos (b) e (c) desta seção, antes de utilizar seus recursos inter-regionais de capital para cumprir tais obrigações, de acordo com os parágrafos (e) e (f) desta seção, e, para tal fim, serão feitas as substituições apropriadas do termo capital ordinário, nos mesmos parágrafos, por capital inter-regional.

(e) Os pagamentos a serem feitos pelo Banco para cumprir com os compromissos resultantes de empréstimos obtidos ou de garantias concedidas, a que se refere o Artigo III, Seção 4 (iv) e (v), e que devam ser debitados aos recursos inter-regionais de capital do Banco, serão debitados:

- (i) primeiro, a qualquer reserva estabelecida para esse fim; e
- (ii) depois, até a quantia necessária e a critério do Banco, às outras reservas, aos lucros acumulados e aos fundos correspondentes do capital inter-regional realizado.

(f) Quando for necessário efetuar pagamentos contratuais de amortizações, de juros ou de outros encargos referentes a empréstimos obtidos pelo Banco, pagáveis com seus recursos inter-regionais de capital, ou cumprir com compromissos semelhantes referentes a garantias pelo mesmo concedidas e que devam ser debitadas aos recursos inter-regionais de capital, este poderá requerer dos países membros o pagamento de uma quantia adequada de suas subscrições de capital inter-regional exigível, de conformidade com o Artigo IIA, Seção 3 (c). Outrossim, se o Banco entender que a situação de mora tende a prolongar-se, poderá exigir o pagamento de uma parte adicional das mencionadas subscrições, que não exceda, em um ano, um por cento da subscrição total dos países membros dos recursos inter-regionais de capital, para os seguintes fins:

- (i) resgatar, antes de seu vencimento, a totalidade ou parte do saldo do principal do empréstimo garantido pelo Banco, debitável aos seus recursos inter-regionais de capital, ou cumprir de outro modo seus compromissos com respeito a tal empréstimo; e

(ii) readquirir a totalidade ou parte das obrigações pendentes emitidas pelo Banco ou cumprir de outro modo seus compromissos com relação a essas obrigações pagáveis com seus recursos inter-regionais de capital."

28. A Seção 4 do ARTIGO VII dirá:

"Seção 4. Distribuição ou transferência da renda líquida

(a) A Assembleia de Governadores poderá determinar, periodicamente, a parte da renda líquida, do último exercício, e dos lucros acumulados dos recursos ordinários de capital e dos recursos inter-regionais de capital a ser distribuída. Só se efetuará essa distribuição quando as reservas tenham atingido um nível que a Assembleia de Governadores considere adequado.

(b) Quando aprovar as demonstrações de lucros e perdas, conforme o disposto no Artigo VIII, Seção 2 (b)(viii), a Assembleia de Governadores poderá transferir ao Fundo parte dos lucros líquidos correspondentes ao respectivo exercício, dos recursos ordinários de capital ou dos recursos inter-regionais de capital, por decisão de uma maioria de dois terços do número total dos Governadores que represente pelo menos três quartos da totalidade dos votos dos países membros.

Antes que a Assembleia de Governadores decida sobre transferência de recursos ao Fundo, deverá ter recebido da Diretoria Executiva um relatório sobre a respectiva conveniência, o qual deverá considerar, entre outros, os seguintes fatores: (1) se as reservas atingiram um nível adequado; (2) se os recursos transferidos são necessários para a operação do Fundo; e (3) o eventual impacto sobre a capacidade do Banco para obter empréstimos.

(c) A distribuição dos recursos ordinários de capital referida no parágrafo (a) desta seção será feita em proporção ao número de ações de capital ordinário de cada país membro, e a dos recursos inter-regionais de capital em proporção ao número de ações de capital inter-regional de cada país membro; e, de igual modo, os lucros líquidos transferidos para o Fundo, na forma do parágrafo (b) desta seção, serão creditados ao total das quotas de contribuição de cada país membro para o Fundo, nas proporções acima mencionadas.

(d) Os pagamentos realizados conforme o disposto no parágrafo (a) desta seção serão efetuados na forma e na moeda, ou moedas, que a Assembleia de Governadores determinar. Se os pagamentos forem feitos a um país membro em moedas diferentes da sua, a transferência dessas moedas e sua utilização por parte desse país não poderão ser objeto de restrições por parte de nenhum outro país membro."

29. A Seção 2 (b)(ii) do ARTIGO VIII dirá:

"(ii) aumentar ou diminuir o capital ordinário autorizado, o capital inter-regional autorizado do Banco, e as contribuições ao Fundo;"

30. Os incisos (viii), (ix) e (x) do parágrafo (b), da Seção 2 do ARTIGO VIII, dirão:

- "(viii) aprovar, à vista dos relatórios dos auditores, os balanços gerais e as demonstrações de lucros e perdas da instituição;
- "(ix) determinar as reservas e a distribuição dos lucros líquidos dos recursos ordinários de capital, dos recursos inter-regionais de capital e do Fundo;
- "(x) contratar os serviços de auditores externos para verificar e atestar a exatidão dos balanços gerais e das demonstrações de lucros e perdas da instituição;"

31. A Seção 2 (e) do ARTIGO VIII dirá:

"(e) O quorum para as reuniões da Assembléia de Governadores será constituído pela maioria absoluta do número total dos Governadores, que inclua a maioria absoluta dos Governadores dos países membros regionais e que represente, pelo menos, dois terços do total de votos dos países membros."

32. A Seção 3 (b)(ii) do ARTIGO VIII dirá:

"(ii) Um Diretor Executivo será nomeado pelo país membro que possua o maior número de ações do Banco, dois Diretores Executivos serão eleitos pelos Governadores dos países membros extra-regionais, e não menos do que oito outros serão eleitos pelos Governadores dos demais países membros. O número de Diretores Executivos a serem eleitos pela última categoria e o procedimento para a eleição de todos os diretores eletivos serão determinados pelo Regulamento que a Assembléia de Governadores adotar pela maioria de três quartos da totalidade dos votos dos países membros, que inclua a maioria de dois terços dos Governadores dos países membros extra-regionais com relação às disposições que se referem exclusivamente à eleição de Diretores pelos países membros extra-regionais, e a maioria de dois terços dos Governadores dos países membros regionais com relação às disposições que se referem exclusivamente ao número e à eleição de Diretores pelos demais países membros. A aprovação de qualquer modificação no supracitado Regulamento requererá a mesma maioria de votos."

33. A Seção 3 (f) do ARTIGO VIII dirá:

"(f) O quorum para as reuniões da Diretoria Executiva será a maioria absoluta do número total de Diretores que, incluindo a maioria absoluta dos Diretores dos países membros regionais, representem, pelo menos, dois terços do total de votos dos países membros."

34. A Seção 4 do ARTIGO VIII dirá:

"Seção 4. Votações"

(a) Cada país membro terá 135 votos, mais um voto por ação do capital ordinário e do capital inter-regional do Banco que possua aquele país; entretanto, com relação aos aumentos do capital ordinário autorizado ou do capital inter-regional autorizado, a Assembléia de Governadores poderá determinar que as ações de capital autorizadas por tais aumentos não terão direito a voto e que tais aumentos de capital não estarão sujeitos aos direitos de preferência estabelecidos no Artigo II, Seção 3 (b).

(b) Não entrará em vigor aumento correspondente a subscrição de ações do capital ordinário ou do capital inter-regional por qualquer país membro e suspender-se-á qualquer direito de subscrever ações quando tiverem por consequência a redução dos votos (i) dos países membros regionais em vias de desenvolvimento a menos de 53,5 por cento do total dos votos dos países membros; (ii) do país membro que detenha o maior número de ações a menos de 34,5 por cento do referido total de votos; ou (iii) do Canadá a menos de 4 por cento do mesmo total de votos.

(c) Nas votações na Assembléia de Governadores, cada Governador poderá emitir o número de votos que corresponda ao país membro por ele representado. Salvo quando se disponha expressamente em contrário neste Convênio, todos os assuntos que a Assembléia de Governadores considere serão decididos pela maioria do total de votos dos países membros.

(d) Nas votações da Diretoria Executiva:

- (i) o Diretor nomeado terá o direito de emitir o número de votos que corresponda ao país membro que o tenha nomeado;
- (ii) cada Diretor eleito terá o direito de emitir o número de votos com que foi eleito, e os emitirá em bloco; e
- (iii) salvo quando se disponha expressamente em contrário neste Convênio, todos os assuntos que a Diretoria Executiva considere serão decididos pela maioria do total de votos dos países membros."

35. A Seção 5 (a) do ARTIGO VIII dirá:

"(a) A Assembléia de Governadores, por maioria do total de votos dos países membros, que inclua a maioria absoluta dos Governadores dos países membros regionais, elegerá o Presidente do Banco, o qual enquanto em exercício não poderá ser nem Governador, nem Diretor Executivo, nem Suplente de um ou outro cargo.

Sob a supervisão da Diretoria Executiva, o Presidente do Banco conduzirá os negócios ordinários da instituição e chefiará o pessoal. Presidirá, também, às reuniões da Diretoria Executiva, sem direito a voto, exceto nos casos de empate, quando terá a obrigação de emitir o voto de desempate.

O Presidente do Banco será o representante legal da instituição.

O Presidente do Banco terá um mandato de cinco anos e poderá ser reeleito para períodos sucessivos. Será exonerado de seu cargo quando assim o decida a Assembléia de Governadores pela maioria do total de votos dos países membros que inclua a maioria do total dos votos dos países membros regionais."

36. A Seção 5 (e) do ARTIGO VIII dirá:

"(e) O Banco levará principalmente em consideração, ao selecionar seu pessoal e ao determinar as condições de serviço, a necessidade de assegurar o mais alto grau de eficiência e integridade desses serviços. Também se dará devida consideração à importância de contratar-se o pessoal de forma a que haja a mais ampla representação geográfica possível, levando-se em consideração o caráter regional da instituição."

37. A Seção 6 (a) do ARTIGO VIII dirá:

"(a) O Banco publicará um relatório anual, que conterá extratos de contas separados, dos recursos ordinários de capital e dos recursos inter-regionais de capital, revistos por auditores. Deverá também transmitir, trimestralmente, aos países membros, resumos de sua situação financeira e demonstrações de lucros e perdas, que indiquem, separadamente, o resultado de suas operações ordinárias e de suas operações com recursos inter-regionais."

38. O primeiro parágrafo da Seção 2 do ARTIGO IX dirá:

"O país membro que faltar ao cumprimento de alguma de suas obrigações para com o Banco poderá ser suspenso quando o decida a Assembléia de Governadores, por maioria de três quartos do total de votos dos países membros, que inclua a maioria de dois terços do número total dos Governadores, a qual, por sua vez, no caso de suspensão de um país membro regional, incluirá a

maioria de dois terços dos Governadores dos países membros regionais e, no caso de suspensão de um país membro extra-regional, a maioria de dois terços dos Governadores dos países membros extra-regionais."

39. A Seção 3 do ARTIGO IX será modificada como se segue:

(1) A terceira frase do parágrafo (d)(ii) dirá:

"Não se poderá, contudo, reter importância alguma por conta de responsabilidade que venha a ter o país por chamadas futuras de suas subscrições de acordo com o disposto no Artigo II, Seção 4 (a)(ii), ou no Artigo IIA, Seção 3 (c); e"

(2) A segunda frase do parágrafo (d)(iii) dirá:

"Além disso, o país que tenha deixado de ser membro do Banco continuará obrigado a atender qualquer chamada de capital a que se refere o Artigo II, Seção 4 (a)(ii), ou o Artigo IIA, Seção 3 (c), até o montante que teria sido obrigado a cobrir se a redução do capital se houvesse verificado, e se a chamada se houvesse realizado na ocasião em que se determinou o preço para a reaquisição de suas ações."

40. A Seção 2 do ARTIGO X dirá:

"Seção 2. Término de operações

O Banco poderá terminar suas operações por decisão da Assembleia de Governadores, tomada por maioria de três quartos do total de votos dos países membros, que inclua a maioria de dois terços dos Governadores dos países membros regionais. Ao acordar-se o término das operações, o Banco cessará imediatamente todas as suas atividades, exceto as que tenham por objetivo conservar, preservar e realizar seus ativos e liquidar suas obrigações."

41. A Seção 3 (b) do ARTIGO X dirá:

"(b) Todos os credores diretos serão pagos com o ativo do Banco ao qual as dívidas correspondentes sejam debitáveis e, se necessário, com os fundos que se obtenham pela cobrança da parte devida do capital realizado e pela chamada do capital exigível aos quais as dívidas correspondentes sejam debitáveis. Antes de efetuar qualquer pagamento aos credores diretos, a Diretoria Executiva deverá tomar as medidas que julgue necessárias para assegurar uma distribuição proporcional entre os credores de obrigações diretas e os de obrigações eventuais."

42. A Seção 4 (a) do ARTIGO X dirá:

"(a) Não se fará nenhuma distribuição do ativo entre os países membros por conta de suas ações antes que tenham sido liquidadas todas as obrigações, debitáveis a essas ações, para com os credores, ou antes que se tenha providenciado nesse sentido. Será necessário, outrossim, que a Assembléia de Governadores, por maioria de três quartos do total de votos dos países membros, que inclua a maioria de dois terços dos Governadores dos países membros regionais, decida efetuar a distribuição."

43. As letras (a) e (b) do ARTIGO XII dirão:

"(a) (i) O presente Convênio só poderá ser emendado por decisão da Assembléia de Governadores, por maioria do número total de Governadores, que inclua dois terços dos Governadores dos países membros regionais e que represente, pelo menos, três quartos do total de votos dos países membros, ressalvado, contudo, que a maioria estabelecida no Artigo II, Seção 1 (b), sómente poderá ser modificada pela mesma maioria especificada na referida seção.

(ii) Os artigos aplicáveis deste Convênio poderão ser modificados de acordo com o disposto no parágrafo (a) (i) anterior, para dispor sobre a fusão do capital inter-regional e do capital ordinário, no momento em que o Banco houver satisfeito seus compromissos resultantes de todos os empréstimos debitáveis ao capital ordinário, que estavam pendentes de amortização em 31 de dezembro de 1974.

(b) Não obstante o disposto no parágrafo (a) anterior, será exigido o acordo unânime da Assembléia de Governadores para que seja aprovada qualquer emenda que altere:

- (i) o direito de retirar-se do Banco de acordo com o disposto no Artigo IX, Seção 1;
- (ii) o direito de adquirir ações do Banco e de contribuir para o Fundo, segundo o disposto no Artigo II, Seção 3 (b), e no Artigo IV, Seção 3 (g), respectivamente; e
- (iii) a limitação de responsabilidades prevista no Artigo II, Seção 3 (d), no Artigo IIA, Seção 2 (e), e no Artigo IV, Seção 5."

SEÇÃO 2. Vigência

As modificações precedentes entrarão em vigor na data em que a comunicação oficial comprovando sua adoção tenha sido dirigida aos países membros, de acordo com o Artigo XII (c) do Convênio Constitutivo do Banco.

(Aprovada em 1º de junho de 1976)

BANCO INTERAMERICANO DE DESARROLLO

RESOLUCION AG-9/76

MODIFICACIONES DEL CONVENIO CONSTITUTIVO DEL BANCO RELACIONADAS
CON LA CREACION DEL CAPITAL INTERREGIONAL DEL BANCO Y MATERIAS AFINES

CONSIDERANDO:

Que el Artículo II, Sección 1 (b), del Convenio Constitutivo del Banco, dispone que podrán ser aceptados como miembros del Banco los países extrarregionales que sean miembros del Fondo Monetario Internacional y Suiza, de acuerdo con las normas generales que la Asamblea de Gobernadores establezca;

Que ciertos países extrarregionales han expresado su interés en ser miembros del Banco;

Que la Asamblea de Gobernadores ha llegado a la conclusión que sería conveniente que se admitan como miembros del Banco a tales países extrarregionales y que su admisión debe realizarse mediante (i) la modificación del Convenio Constitutivo del Banco a fin de que disponga, entre otros asuntos, la creación de una nueva categoría de capital que se denominará capital interregional del Banco; (ii) la adopción de las normas generales para la admisión de países miembros extrarregionales que incluyan disposiciones para un aumento en los recursos del Fondo para Operaciones Especiales; y (iii) un incremento en el capital ordinario autorizado del Banco, y

Que el Artículo XII del Convenio Constitutivo del Banco establece el procedimiento para modificar el Convenio,

La Asamblea de Gobernadores,

RESUELVE:

SECCION 1. Modificaciones

Modificar el Convenio Constitutivo del Banco en los siguientes términos:

1. La Sección 1 del ARTICULO I dirá:

"Sección 1. Objeto

El Banco tendrá por objeto contribuir a acelerar el proceso de desarrollo económico y social, individual y colectivo, de los países miembros regionales en vías de desarrollo."

2. La Sección 1(b) del ARTICULO II dirá:

"(b) Los demás miembros de la Organización de los Estados Americanos y Canadá, Bahamas y Guyana, podrán ingresar al Banco en las fechas y conforme a las condiciones que el Banco acuerde.

También podrán ser aceptados en el Banco los países extrarregionales que sean miembros del Fondo Monetario Internacional, y Suiza, en las fechas y de acuerdo con las normas generales que la Asamblea de Gobernadores establezca. Dichas normas generales sólo podrán ser modificadas por acuerdo de la Asamblea de Gobernadores, por mayoría de dos tercios del número total de los gobernadores, que incluya dos tercios de los gobernadores de los miembros extrarregionales y que represente por lo menos tres cuartos de la totalidad de los votos de los países miembros."

3. El ARTICULO II se modificará añadiéndole una nueva Sección después de la Sección 1, como sigue:

"Sección 1A. Categorías de Recursos

Los recursos del Banco estarán constituidos por los recursos ordinarios de capital, previstos en este artículo, por los recursos interregionales de capital, previstos en el Artículo IIA, y por los recursos del Fondo para Operaciones Especiales (de aquí en adelante también denominado Fondo), establecido en el Artículo IV."

4. La Sección 2 del ARTICULO II dirá:

"Sección 2. Capital Ordinario Autorizado

(a) El capital ordinario autorizado del Banco será inicialmente de 850.000.000 (ochocientos cincuenta millones) de dólares de los Estados Unidos de América del peso y ley en vigor al 1º de enero de 1959, dividido en 85.000 acciones de valor nominal de 10.000 (diez mil) dólares cada una, las que estarán a disposición de los países miembros para ser suscritas de conformidad con la Sección 3 de este artículo.

(b) El capital ordinario autorizado se dividirá en acciones de capital pagadero en efectivo y en acciones de capital exigible. El equivalente a 400.000.000 (cuatrocientos millones) de dólares corresponderá a capital pagadero en efectivo, y el equivalente a 450.000.000 (cuatrocientos cincuenta millones) de dólares corresponderá a capital exigible para los fines que se especifican en la Sección 4 (a)(ii) de este artículo.

(c) El capital ordinario indicado en el párrafo (a) de esta sección se aumentará en 500.000.000 (quinientos millones) de dólares de los Estados Unidos de América del peso y ley en vigor al 1º de enero de 1959, siempre que:

- (i) haya transcurrido el plazo para el pago de todas las suscripciones, fijado de conformidad con la Sección 4 de este artículo; y
 - (ii) el aumento indicado de 500.000.000 (quinientos millones) de dólares haya sido aprobado por mayoría de tres cuartos de la totalidad de los votos de los países miembros en una reunión ordinaria o extraordinaria de la Asamblea de Gobernadores, celebrada lo más pronto posible después del plazo indicado en el inciso (i) de este párrafo.
- (d) El aumento de capital que se dispone en el párrafo anterior se hará en forma de capital exigible.
- (e) Sin perjuicio de lo dispuesto en los párrafos (c) y (d) de esta sección y con sujeción a las disposiciones del Artículo VIII, Sección 4(b), el capital ordinario autorizado se podrá aumentar en la época y en la forma en que la Asamblea de Gobernadores lo considere conveniente y lo acuerde por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya una mayoría de dos tercios de los gobernadores de los miembros regionales.
- (f) Siempre que se aumente el capital interregional autorizado de acuerdo con el Artículo IIA, Sección 1 (c), y un país miembro ejerza la opción que establece el Artículo II, Sección 3 (f), se aumentará el capital ordinario en el monto necesario para permitir que dicho miembro ejerza esa opción y se disminuirá en un monto equivalente el capital interregional disponible para suscripción por dicho miembro, monto que será debidamente cancelado."

5. La Sección 3 del ARTICULO II dirá:

"Sección 3. Suscripción de Acciones

(a) Todos los países miembros regionales suscribirán acciones de capital ordinario del Banco y los países miembros extrarregionales podrán suscribir estas acciones de acuerdo con los términos del párrafo (b) de esta sección y conforme con las condiciones que la Asamblea de Gobernadores establezca.

El número de acciones que suscriban los miembros fundadores será el estipulado en el Anexo A de este Convenio, que determina la obligación de cada miembro en relación tanto al capital pagadero en efectivo como al capital exigible. El número de acciones que suscribirán los demás miembros lo determinará el Banco.

(b) En los casos de un aumento de capital ordinario de conformidad con la Sección 2, párrafos (c) y (e) de este artículo, o de un aumento de capital interregional de conformidad con el Artículo IIA, Sección 1 (c), o de un aumento en ambos, el capital ordinario y el interregional, todos los países miembros tendrán derecho, condicionado a

los términos que establezca el Banco, a una cuota del aumento en acciones equivalente a la proporción que sus acciones hasta entonces suscritas guarden con el capital total del Banco. Sin embargo, ningún miembro estará obligado a suscribir tales aumentos de capital.

(c) Las acciones de capital ordinario suscritas originalmente por los miembros fundadores se emitirán a la par. Las demás acciones también se emitirán a la par, a menos que el Banco acuerde, por circunstancias especiales, emitirlas en otras condiciones.

(d) La responsabilidad de los países miembros respecto a las acciones de capital ordinario se limitará a la parte no pagada de su precio de emisión.

(e) Las acciones de capital ordinario no podrán ser dadas en garantía ni gravadas en forma alguna, y únicamente serán transferibles al Banco.

(f) Cualquier país miembro que tenga el derecho de suscribir capital interregional del Banco en virtud del párrafo (b) de esta sección, tendrá la opción de renunciar a dicho derecho y de suscribir en cambio un monto equivalente del capital ordinario."

6. La Sección 4 (a) del ARTICULO II se modificará como sigue:

- (1) En la oración inicial la frase "acciones de capital" deberá decir: "acciones de capital ordinario".
- (2) En la primera oración del inciso (ii) la frase "acciones de capital" deberá decir "acciones de capital ordinario", y se cambiará la referencia de "Artículo III, Sección 4(iii) y (iii)" a "Artículo III, Sección 4 (ii) y (v)".

7. La Sección 5 del ARTICULO II dirá:

"Sección 5. Recursos Ordinarios de Capital"

Queda entendido que en este Convenio el término "recursos ordinarios de capital" del Banco se refiere a lo siguiente:

- (i) capital ordinario autorizado suscrito de acuerdo con las Secciones 2 y 3 de este artículo para acciones de capital pagadero en efectivo y para acciones de capital exigible;
- (ii) todos los fondos provenientes de los empréstitos autorizados en el Artículo VII, Sección 1 (i), a los que sea aplicable el compromiso previsto en la Sección 4 (a) (ii) de este artículo;

- (iii) todos los fondos recibidos en reembolso de préstamos hechos con los recursos indicados en los incisos (i) y (ii) de esta sección;
- (iv) todos los ingresos provenientes de préstamos efectuados con los recursos anteriormente indicados o de garantías a los que sea aplicable el compromiso previsto en la Sección 4 (a) (ii) de este artículo; y
- (v) todos los demás ingresos provenientes de cualesquiera de los recursos mencionados anteriormente.

8. Se agregará al Convenio el ARTICULO IIA después del ARTICULO II, como sigue:

"ARTICULO IIA. CAPITAL INTERREGIONAL DEL BANCO

Sección 1. Capital Interregional Autorizado

(a) El capital interregional autorizado del Banco, será inicialmente de 420.000.000 (cuatrocientos veinte millones) de dólares de los Estados Unidos de América del peso y ley en vigencia al 1^o de enero de 1959, y estará dividido en 42.000 acciones de valor nominal de 10.000 (diez mil) dólares cada una, las que estarán a disposición de los países miembros para ser suscritas de conformidad con la Sección 2 de este artículo.

(b) El capital interregional autorizado se dividirá en acciones de capital pagadero en efectivo y en acciones de capital exigible. Del capital interregional autorizado inicial el equivalente a 70.000.000 (setenta millones) de dólares corresponderá a capital pagadero en efectivo, y el equivalente a 350.000.000 (trescientos cincuenta millones) de dólares corresponderá a capital exigible para los fines que se especifican en la Sección 3 (c) de este artículo.

(c) Con sujeción a las disposiciones del Artículo VIII, Sección 4(b), se podrá aumentar el capital interregional autorizado en la época y en la forma en que la Asamblea de Gobernadores lo considere conveniente y lo acuerde por mayoría de dos tercios del número total de los gobernadores, que incluya dos tercios de los gobernadores de los miembros regionales y que represente por lo menos tres cuartos de la totalidad de los votos de los países miembros.

(d) Siempre que se aumente el capital ordinario autorizado de acuerdo con el Artículo II, Sección 2(e), y un país miembro ejerza la opción que establece el Artículo IIA, Sección 2(g), se aumentará el capital interregional en el monto necesario para permitir que dicho miembro ejerza esa opción y

se disminuirá en un monto equivalente el capital ordinario disponible para suscripción por dicho miembro, monto que será debidamente cancelado.

Sección 2. Suscripción de Acciones de Capital Interregional

(a) Todos los países miembros extrarregionales suscribirán acciones de capital interregional y los países miembros regionales podrán suscribir estas acciones de acuerdo con los términos del Artículo II, Sección 3(b), de conformidad con las condiciones que la Asamblea de Gobernadores establezca y sujeto a las disposiciones de esta sección.

(b) Todos los miembros extrarregionales iniciales suscribirán el número de acciones de capital interregional pagadero en efectivo y de capital interregional exigible que determine el Banco. La suscripción de acciones y la forma de pago de las mismas por cualquier nuevo miembro extrarregional serán determinadas por el Banco, con debida consideración a las condiciones de las suscripciones existentes.

(c) Los países miembros regionales podrán suscribir el capital interregional en las condiciones que determine el Banco, prestando debida consideración a las condiciones establecidas para las suscripciones de los miembros extrarregionales.

(d) Las acciones de capital interregional autorizado inicial se emitirán a la par. Las demás acciones también se emitirán a la par, a menos que el Banco acuerde, por circunstancias especiales, emitirlas en otras condiciones.

(e) La responsabilidad de los países miembros respecto a las acciones de capital interregional se limitará a la parte no pagada de su precio de emisión.

(f) Las acciones de capital interregional no podrán ser dadas en garantía ni gravadas en forma alguna, y únicamente serán transferibles al Banco.

(g) Cualquier país miembro que tenga el derecho de suscribir capital ordinario del Banco en virtud del Artículo II, Sección 3(b), tendrá la opción de renunciar a dicho derecho y de suscribir en cambio un monto equivalente del capital interregional.

Sección 3. Pago de las Suscripciones de Capital Interregional

(a) Las cantidades suscritas por cada miembro del capital interregional del Banco pagadero en efectivo se abonarán totalmente en la moneda del respectivo país miembro, el cual adoptará las medidas satisfactorias al Banco que aseguren, de acuerdo con lo dispuesto por el Artículo V, Sección 1 (c), que su moneda será libremente convertible en las monedas de otros países para los propósitos de las operaciones del Banco.

(b) Los pagos de un país miembro conforme a lo dispuesto en el párrafo (a) de esta sección, se harán en la cantidad que, en opinión del Banco, sea equivalente al valor total, en términos de dólares de los Estados Unidos de América, del peso y ley vigentes al 1º de enero de 1959, de la parte de la suscripción que se paga. El pago inicial se hará en la cantidad que los miembros estimen adecuada, pero estará sujeto a los ajustes, que se efectuarán dentro de los 60 días contados desde la fecha de vencimiento del pago. El Banco determinará el monto de los ajustes necesarios para constituir el equivalente del valor total en dólares, según este párrafo.

(c) La parte exigible de la suscripción de acciones de capital interregional del Banco estará sujeta a requerimiento de pago sólo cuando se necesite para satisfacer las obligaciones del Banco originadas conforme al Artículo III, Sección 4 (iv) y (v), con tal que dichas obligaciones correspondan a préstamos de fondos obtenidos para formar parte de los recursos interregionales de capital del Banco o a garantías que comprometan dichos recursos. En caso de tal requerimiento, el pago podrá hacerse, a opción del miembro, ya sea en la moneda completamente convertible de un país miembro o en la moneda que se necesitare para cumplir las obligaciones del Banco que hubieren motivado dicho requerimiento. Los requerimientos de pago del capital interregional exigible serán proporcionalmente uniformes para todas las acciones.

Sección 4. Recursos Interregionales de Capital

Queda entendido que en este Convenio el término "recursos interregionales de capital" del Banco se refiere a lo siguiente:

- (i) capital interregional autorizado suscrito de acuerdo con la Sección 2 de este artículo para acciones de capital pagadero en efectivo y para acciones de capital exigible;
- (ii) todos los fondos provenientes de los empréstitos autorizados en el Artículo VII, Sección 1 (i), a los que sea aplicable el compromiso previsto en la Sección 3 (c) de este artículo;
- (iii) todos los fondos recibidos en reembolso de préstamos hechos con los recursos indicados en los incisos (i) y (ii) de esta sección;
- (iv) todos los ingresos provenientes de préstamos efectuados con los recursos anteriormente indicados o de garantías a los que sea aplicable el compromiso previsto en la Sección 3 (c) de este artículo; y
- (v) todos los demás ingresos provenientes de cualesquiera de los recursos mencionados anteriormente.

9. La Sección 2 del ARTICULO III dirá:

"Sección 2. Categorías de Operaciones"

(a) Las operaciones del Banco se dividirán en operaciones ordinarias, operaciones con recursos interregionales y operaciones especiales.

(b) Serán operaciones ordinarias las que se financien con los recursos ordinarios de capital del Banco, especificados en el Artículo II, Sección 5. Serán operaciones con recursos interregionales las que se financien con los recursos interregionales de capital del Banco, especificados en el Artículo IIA, Sección 4. Ambas clases de operaciones consistirán exclusivamente en préstamos que el Banco efectúe, garantice o en los cuales participe, que sean reembolsables sólo en la moneda o monedas en que los préstamos se hayan efectuado. Dichas operaciones estarán sujetas a las condiciones y términos que el Banco estime convenientes y que sean compatibles con las disposiciones del presente Convenio.

(c) Serán operaciones especiales las que se financien con los recursos del Fondo, conforme a lo dispuesto en el Artículo IV."

10. La Sección 3 del ARTICULO III dirá:

"Sección 3. Principio Básico de Separación"

(a) Con sujeción a las disposiciones del Artículo XIII(a)(ii), relativas a modificaciones del Convenio, los recursos ordinarios de capital, especificados en el Artículo II, Sección 5, los recursos interregionales de capital, especificados en el Artículo IIA, Sección 4, y los recursos del Fondo, especificados en el Artículo IV, Sección 3 (h), deberán siempre mantenerse, utilizarse, comprometerse, invertirse o de cualquiera otra manera disponerse en forma completamente independiente unos de otros.

(b) Los recursos ordinarios de capital y los recursos interregionales de capital en ninguna circunstancia serán gravados ni empleados para cubrir obligaciones, compromisos o pérdidas ocasionados por operaciones para las cuales se hayan empleado o comprometido originalmente recursos del Fondo.

(c) Los recursos ordinarios de capital en ninguna circunstancia serán gravados ni empleados para cubrir obligaciones, compromisos o pérdidas a cargo de los recursos interregionales de capital y, salvo lo previsto en el Artículo VII, Sección 3 (d), los recursos interregionales de capital en ninguna circunstancia serán gravados ni empleados para cubrir obligaciones, compromisos o pérdidas a cargo de los recursos ordinarios de capital.

(d) Los estados de cuenta del Banco deberán mostrar separadamente las operaciones ordinarias, las operaciones con recursos interregionales y las operaciones especiales, y el Banco deberá establecer las demás normas administrativas que sean necesarias para asegurar la separación efectiva de las tres clases de operaciones.

(e) Los gastos relacionados directamente con las operaciones ordinarias se cargarán a los recursos ordinarios de capital. Los gastos que se relacionan directamente con las operaciones con recursos interregionales se cargarán a los recursos interregionales de capital. Los gastos que se relacionan directamente con las operaciones especiales se cargarán a los recursos del Fondo. Los otros gastos se cargarán según lo acuerde el Banco."

11. Los incisos (i) a (v) inclusive, de la Sección 4 del ARTICULO III dirán:

- "(i) efectuando préstamos directos o participando en ellos con fondos correspondientes al capital ordinario del Banco pagadero en efectivo y libre de gravamen y, salvo lo dispuesto en la Sección 13 de este artículo, con sus utilidades no distribuidas y reservas; o con los recursos del Fondo libres de gravamen;
- (ii) efectuando préstamos directos o participando en ellos con fondos que el Banco haya adquirido en los mercados de capitales o que se hayan obtenido en préstamo o en cualquiera otra forma, para ser incorporados a los recursos ordinarios de capital del Banco o a los recursos del Fondo;
- (iii) efectuando préstamos directos o participando en ellos con fondos correspondientes al capital interregional del Banco pagadero en efectivo y libre de gravamen, incluyendo las reservas y las utilidades no distribuidas relativas a dichos recursos;
- (iv) efectuando préstamos directos o participando en ellos con fondos que el Banco haya adquirido en los mercados de capitales o que se hayan obtenido en préstamo o en cualquiera otra forma, para ser incorporados a los recursos interregionales de capital del Banco; y
- (v) garantizando con los recursos ordinarios de capital, los recursos interregionales de capital o los recursos del Fondo, total o parcialmente, préstamos hechos, salvo casos especiales, por inversionistas privados."

12. La Sección 5 del ARTICULO III dirá:

"Sección 5. Limitación de las Operaciones"

- (a) La cantidad total pendiente de préstamos y garantías hechas por el banco en sus operaciones ordinarias no podrá exceder en

ningún momento el total del capital ordinario suscrito del Banco, libre de gravámenes, más las utilidades no distribuidas y reservas, libres de gravámenes, incluidas en los recursos ordinarios de capital del Banco, los cuales se especifican en el Artículo II, Sección 5, con exclusión de los ingresos destinados a la reserva especial establecida de acuerdo con la Sección 13 de este artículo y cualquier otro ingreso de los recursos ordinarios de capital destinado, por decisión de la Asamblea de Gobernadores, a reservas no disponibles para préstamos o garantías.

(b) La cantidad total pendiente de préstamos y garantías hechos por el Banco en sus operaciones con recursos interregionales no podrá exceder en ningún momento el total del capital interregional suscrito del Banco, libre de gravámenes, más las utilidades no distribuidas y reservas, libres de gravámenes, incluidas en los recursos interregionales de capital del Banco, los cuales se especifican en el Artículo IIA, Sección 4, con exclusión de los ingresos de los recursos interregionales de capital destinados, por decisión de la Asamblea de Gobernadores, a reservas no disponibles para préstamos o garantías.

(c) En el caso de préstamos hechos con fondos de empréstitos obtenidos por el Banco, a los cuales se aplique el compromiso previsto en el Artículo II, Sección 4 (a)(ii), el capital total adeudado al Banco en una moneda determinada no excederá nunca al saldo de capital de los empréstitos que el Banco haya obtenido para incluirse en sus recursos ordinarios de capital y que deba pagar en la misma moneda.

(d) En el caso de préstamos hechos con fondos de empréstitos obtenidos por el Banco, a los cuales se aplique el compromiso previsto en el Artículo IIA, Sección 3(c), el capital total adeudado al Banco en una moneda determinada no excederá nunca al saldo de capital de los empréstitos que el Banco haya obtenido para incluirse en sus recursos interregionales de capital y que deba pagar en la misma moneda."

13. El ARTICULO III, Sección 9(a), dirá:

"(a) Salvo lo dispuesto en el Artículo V, Sección 1, el Banco no impondrá como condición que el producto de un préstamo se gaste en el territorio de algún país en particular, ni tampoco establecerá como condición que el producto de un préstamo no se gaste en el territorio de algún país miembro o países miembros en particular; sin embargo, en lo que se refiere a cualquier aumento de los recursos del Banco, la Asamblea de Gobernadores podrá determinar la restricción de adquisiciones por el Banco o por cualquier miembro respecto a aquellos miembros que no participen en un aumento en los términos y condiciones especificados por la Asamblea de Gobernadores."

14. El párrafo introductorio de la Sección 10 del ARTICULO III dirá:

"En los contratos de préstamos directos que efectúe el Banco de conformidad con la Sección 4 de este artículo se establecerán:"

15. La Sección 2 del ARTICULO IV dirá:

"Sección 2. Disposiciones Aplicables

El Fondo se regirá por las disposiciones del presente artículo y por las demás normas de este Convenio salvo las que contraríen lo estipulado en este artículo y las que se apliquen expresa y exclusivamente a otras operaciones del Banco."

16. La Sección 3(b) del ARTICULO IV dirá:

"(b) Los miembros de la Organización de los Estados Americanos que se incorporen al Banco con posterioridad a la fecha estipulada en el Artículo XV, Sección 1(a), el Canadá, Bahamas y Guyana, y los países que sean aceptados de acuerdo con el Artículo II, Sección 1 (b), contribuirán al Fondo con las cuotas y en los términos que el Banco acuerde."

17. La Sección 3(g) del ARTICULO IV dirá:

"(g) Los recursos del Fondo serán aumentados mediante contribuciones adicionales de los miembros cuando la Asamblea de Gobernadores lo estime conveniente, por decisión de una mayoría de tres cuartos de la totalidad de los votos de los países miembros. Las disposiciones del Artículo II, Sección 3(b), se aplicarán también a los aumentos referidos, de acuerdo con la proporción entre la cuota vigente de cada país y el total de los recursos del Fondo aportados por los miembros. Sin embargo, ningún miembro estará obligado a contribuir a tales aumentos."

18. La Sección 3(h)(ii) del ARTICULO IV dirá:

"(ii) todos los fondos provenientes de los empréstitos a los que no se aplique los compromisos estipulados en el Artículo II, Sección 4(a)(ii) y el Artículo IIA, Sección 3(c), por ser específicamente garantizados con los recursos del Fondo;"

19. La Sección 8(c) del ARTICULO IV dirá:

"(c) En la medida que sea posible, el Banco empleará en las operaciones del Fondo el mismo personal y expertos y los mismos materiales, instalaciones, oficinas y servicios que utilice en sus otras operaciones."

20. La Sección 9(a) del ARTICULO IV dirá:

"(a) En las resoluciones sobre las operaciones del Fondo, cada país miembro del Banco tendrá el número de votos en la Asamblea de Gobernadores que le corresponda de conformidad con el Artículo VIII, Sección 4(a) y (c) y cada director tendrá el número de votos en el Directorio Ejecutivo que le corresponda de acuerdo con el Artículo VIII, Sección 4(a) y (d)."

21. La Sección 12 del ARTICULO IV dirá:

"Sección 12. Suspensión y Terminación"

Las disposiciones del Artículo X se aplicarán también al Fondo, sustituyéndose los términos que se refieren al Banco, sus recursos de capital y sus respectivos acreedores por los referentes al Fondo, sus recursos y sus respectivos acreedores."

22. La Sección 1 del ARTICULO V dirá:

"Sección 1. Uso de Monedas"

(a) La moneda de cualquier país miembro que el Banco tenga como parte de sus recursos ordinarios de capital, de sus recursos interregionales de capital o de los recursos del Fondo, cualquiera que sea la manera en que se haya adquirido, podrá ser empleada por el Banco o cualquiera que la reciba del Banco, sin restricciones de parte del miembro, para efectuar pagos de bienes y servicios producidos en el territorio de dicho país.

(b) Los países miembros no podrán mantener o imponer medidas de ninguna clase que restrinjan el uso para efectuar pagos en cualquier país, ya sea por el Banco o por cualquiera que los reciba del Banco, de los siguientes recursos:

- (i) oro y dólares que el Banco reciba en pago del 50 por ciento de la suscripción de cada miembro por concepto de acciones del capital ordinario del Banco y del 50 por ciento de la cuota de cada miembro por concepto de contribución al Fondo, de conformidad con las disposiciones del Artículo II y del Artículo IV, respectivamente, y monedas que el Banco reciba en pago de la porción equivalente de la suscripción de cada miembro por concepto de acciones del capital interregional, de conformidad con las disposiciones del Artículo IIIA;
- (ii) monedas de los países miembros compradas con los recursos a que se hace referencia en el inciso anterior de este párrafo;

- (iii) monedas obtenidas mediante empréstitos, de conformidad con las disposiciones del Artículo VII, Sección 1(i), para ser incorporadas a los recursos de capital del Banco;
- (iv) oro y dólares que el Banco reciba a cuenta de capital, intereses y otros cargos sobre préstamos efectuados con el oro y los dólares referidos en el inciso (i) de este párrafo; las monedas que el Banco reciba a cuenta de capital, intereses y otros cargos sobre préstamos efectuados con la porción del capital interregional referida en el inciso (i) de este párrafo; las monedas que se reciban en pago del capital, intereses u otros cargos sobre préstamos efectuados con las monedas a que se hace referencia en los incisos (ii) y (iii) de este párrafo; y las monedas que se reciban en pago de comisiones y derechos sobre todas las garantías que el Banco otorgue; y
- (v) monedas, que no sean la del país miembro, recibidas del Banco de conformidad con el Artículo VII, Sección 4 (d), y Artículo IV, Sección 10, por concepto de distribución de utilidades netas.

(c) La moneda de cualquier país miembro que el Banco posea, como parte de sus recursos ordinarios de capital, de sus recursos interregionales de capital o de los recursos del Fondo, no incluida en el párrafo (b) de esta sección, puede también utilizarse por el Banco o por cualquiera que la reciba del Banco para hacer pagos en cualquier país sin restricción de ninguna clase, a menos que el país miembro notifique al Banco que desea que dicha moneda, o parte de ella, se limite a los usos especificados en el párrafo (a) de esta sección.

(d) Los países miembros no podrán imponer medida alguna que restrinja la facultad del Banco para tener y emplear, ya sea para hacer pagos de amortización, para hacer pagos anticipados de sus propias obligaciones o para readquirir en parte o totalmente dichas obligaciones, las monedas que reciba en reembolso de préstamos directos efectuados con fondos obtenidos en préstamos y que formen parte de los recursos ordinarios o interregionales de capital del Banco.

(e) El oro o monedas que el Banco tenga, como parte de sus recursos ordinarios de capital, de sus recursos interregionales de capital o de los recursos del Fondo, no podrán usarse para la compra de otras monedas a menos que lo autorice una mayoría de dos tercios de la totalidad de los votos de los países miembros. Cualquier moneda que se compre en conformidad con las disposiciones de este párrafo no estará sujeta al mantenimiento de valor que dispone la Sección 3 de este artículo."

23. La Sección 3 del ARTICULO V dirá:

"Sección 3. Mantenimiento del Valor de las Monedas en Poder del Banco

(a) Siempre que en el Fondo Monetario Internacional se reduzca la paridad de la moneda de un país miembro o que el valor de cambio de la moneda de un miembro haya experimentado, en opinión del Banco, una depreciación considerable, el miembro pagará al Banco, en plazo razonable, una cantidad adicional de su propia moneda suficiente para mantener el valor de toda la moneda del miembro en poder del Banco, sea que forme parte de sus recursos ordinarios de capital, de sus recursos interregionales de capital o de los recursos del Fondo, excepto la procedente de empréstitos tomados por el Banco. El patrón de valor que se fija para este fin será el del dólar de los Estados Unidos de América, del peso y ley en vigencia al 1º de enero de 1959.

(b) Siempre que en el Fondo Monetario Internacional se aumente la paridad de la moneda de un miembro o que el valor de cambio de la moneda de tal miembro haya experimentado, en opinión del Banco, un aumento considerable, el Banco devolverá a dicho miembro, en plazo razonable, una cantidad de la moneda de ese miembro igual al aumento en el valor del monto de esa moneda que el Banco tenga en su poder, sea que forme parte de sus recursos ordinarios de capital, de sus recursos interregionales de capital o de los recursos del Fondo, excepto la procedente de empréstitos tomados por el Banco. El patrón de valor para este fin será el mismo que el indicado en el párrafo anterior.

(c) El Banco podrá dejar de aplicar las disposiciones de esta sección cuando el Fondo Monetario Internacional haga una modificación proporcionalmente uniforme en la paridad de las monedas de todos los miembros del Banco.

(d) Sin perjuicio de cualesquiera otras disposiciones de esta sección, los términos y condiciones de todo aumento de los recursos del Fondo en conformidad con el Artículo IV, Sección 3(g), podrán incluir disposiciones sobre mantenimiento de valor distintas a las especificadas en esta sección, las cuales se aplicarían a los recursos del Fondo que se contribuyan en virtud de dicho aumento."

24. La Sección 4 del ARTICULO V dirá:

"Sección 4. Formas de Conservar Monedas

. El Banco aceptará de cualquier miembro pagarés o valores similares emitidos por el gobierno del país miembro o el depositario designado por tal miembro, en reemplazo de cualquier parte de la moneda del miembro por concepto del 50 por ciento de la suscripción al capital ordinario autorizado del Banco y del 50 por ciento de la

suscripción a los recursos del Fondo que, de acuerdo con lo dispuesto en los Artículos II y IV, respectivamente, son pagaderos por cada miembro en su moneda nacional, siempre que el Banco no necesite tal moneda para el desarrollo de sus operaciones. Tales pagarés o valores no serán negociables ni devengarán intereses y serán pagaderos al Banco a su valor de paridad cuando éste lo requiera. Bajo las mismas condiciones, el Banco también aceptará pagarés o valores similares en reemplazo de cualquier parte de la suscripción de un país miembro al capital interregional, respecto de la cual las condiciones de la suscripción no exijan pago en efectivo."

25. La Sección 3 (b) del ARTICULO VI dirá:

"(b) Los gastos de asistencia técnica que no sean pagados por los beneficiarios serán cubiertos con los ingresos netos de los recursos ordinarios de capital, de los recursos interregionales de capital o del Fondo. Sin embargo, durante los tres primeros años de operaciones, el Banco podrá utilizar, para hacer frente a dichos gastos, hasta un total de tres por ciento de los recursos iniciales del Fondo."

26. La segunda oración de la Sección 1 (i) del ARTICULO VII dirá:

"Además, en el caso de empréstitos de fondos para ser incluidos en los recursos ordinarios de capital o en los recursos interregionales de capital del Banco, éste deberá obtener la aprobación de dichos países para que el producto del préstamo se pueda cambiar por la moneda de cualquier otro país sin restricción."

27. La Sección 3 del ARTICULO VII dirá:

"Sección 3. Formas de Cumplir con los Compromisos del Banco en Casos de Mora

(a) El Banco, en caso de que ocurra o se prevea el incumplimiento en el pago de los préstamos que haya efectuado o garantizado con sus recursos ordinarios de capital o con sus recursos interregionales de capital, tomará las medidas que estime convenientes para modificar las condiciones del préstamo, salvo las referentes a la moneda en la cual éste se ha de pagar.

(b) Los pagos en cumplimiento de los compromisos del Banco por concepto de empréstitos o garantías según el Artículo III, Sección 4 (ii) y (v), que afecten a los recursos ordinarios de capital del Banco se cargarán:

(i) primero, a la reserva especial a que hace referencia el Artículo III, Sección 13; y

(ii) después, hasta el monto que sea necesario y a discreción del Banco, a otras reservas, utilidades no distribuidas y fondos correspondientes al capital pagado por acciones de capital ordinario.

(c) Cuando fuere necesario hacer pagos contractuales de amortizaciones, intereses u otros cargos sobre empréstitos obtenidos por el Banco pagaderos con sus recursos ordinarios de capital, o cumplir con compromisos del Banco respecto a pagos similares sobre préstamos por él garantizados, con cargo a sus recursos ordinarios de capital, el Banco podrá requerir de los miembros el pago de una cantidad adecuada de sus suscripciones del capital ordinario exigible del Banco, de conformidad con el Artículo II, Sección 4 (a)(ii). Si el Banco creyere que la situación de mora puede ser prolongada, podrá requerir el pago de una parte adicional de dichas suscripciones, que no exceda, en un año dado, del uno por ciento de la suscripción total de los miembros de los recursos ordinarios de capital, para los fines siguientes:

(i) redimir antes de su vencimiento la totalidad o parte del saldo pendiente del capital de un préstamo garantizado por el Banco con cargo a sus recursos ordinarios de capital y respecto al cual el deudor esté en mora, o satisfacer de otro modo su compromiso respecto a tal préstamo.

(ii) readquirir la totalidad o parte de las obligaciones emitidas por el Banco pagaderas con sus recursos ordinarios de capital, que estuvieren pendientes, o liquidar de otro modo sus compromisos respectivos.

(d) Los compromisos del Banco por concepto de todos los empréstitos para incluirse en sus recursos ordinarios de capital, que estén pendientes de amortización el 31 de diciembre de 1974, serán pagaderos tanto con los recursos ordinarios como con los recursos interregionales de capital, incluyendo las suscripciones del capital interregional exigible, sin perjuicio de lo dispuesto por el Artículo IIIA, Sección 3 (c); sin embargo, el Banco hará todo esfuerzo por cumplir sus compromisos por concepto de dichos empréstitos pendientes de amortización con sus recursos ordinarios de capital, de conformidad con los párrafos (b) y (c) de esta sección, antes de emplear sus recursos interregionales de capital para cumplir dichos compromisos, de conformidad con los párrafos (e) y (f) de esta sección, y para este propósito, se sustituirá en dichos párrafos, donde sea apropiado, el término capital interregional por capital ordinario.

(e) Los pagos en cumplimiento de los compromisos del Banco por concepto de empréstitos o garantías según el Artículo III, Sección 4 (iv) y (v), que afecten los recursos interregionales de capital del Banco se cargarán:

- (i) primero, a cualquier reserva establecida para este propósito; y
 - (ii) después, hasta el monto que sea necesario y a discreción del Banco, a otras reservas, utilidades no distribuidas y fondos correspondientes al capital pagado por acciones de capital interregional.
- (f) Cuando fuere necesario hacer pagos contractuales de amortizaciones, intereses u otros cargos sobre empréstitos obtenidos por el Banco, pagaderos con sus recursos interregionales de capital, o cumplir con compromisos del Banco respecto a pagos similares sobre préstamos por él garantizados, con cargo a sus recursos interregionales de capital, el Banco podrá requerir de los miembros el pago de una cantidad adecuada de sus suscripciones del capital interregional exigible del Banco, de conformidad con el Artículo IIA, Sección 3(c). Si el Banco creyere que la situación de mora puede ser prolongada, podrá requerir el pago de una parte adicional de dichas suscripciones, que no exceda, en un año dado, del uno por ciento de la suscripción total de los miembros de los recursos interregionales de capital, para los fines siguientes:
- (i) redimir antes de su vencimiento la totalidad o parte del saldo pendiente del capital de un préstamo garantizado por el Banco con cargo a sus recursos interregionales de capital y respecto al cual el deudor esté en mora, o satisfacer de otro modo su compromiso respecto a tal préstamo.
 - (ii) readquirir la totalidad o parte de las obligaciones emitidas por el Banco que estuvieren pendientes y que fueren pagaderas con sus recursos interregionales de capital, o liquidar de otro modo sus compromisos respectivos."

28. La Sección 4 del ARTICULO VII, dirá:

"Sección 4. Distribución o Transferencia de Utilidades Netas Corrientes y Acumuladas

(a) La Asamblea de Gobernadores podrá determinar periódicamente la parte de las utilidades netas corrientes y acumuladas de los recursos ordinarios de capital y de los recursos interregionales de capital que se distribuirá. Tales distribuciones se podrán hacer solamente cuando las reservas hayan llegado a un nivel que la Asamblea de Gobernadores juzgue adecuado.

(b) A tiempo de aprobar el estado de ganancias y pérdidas, de acuerdo con el Artículo VIII, Sección 2(b)(viii), la Asamblea de Gobernadores podrá transferir al Fondo parte de las utilidades netas para el respectivo año fiscal, de los recursos ordinarios

de capital o de los recursos interregionales de capital, por decisión adoptada por mayoría de dos tercios del número total de los gobernadores que represente por los menos tres cuartos de la totalidad de los votos de los países miembros.

Antes de que la Asamblea de Gobernadores decida efectuar una transferencia al Fondo deberá haber recibido del Directorio Ejecutivo un informe sobre la conveniencia de dicha transferencia, el cual tomará en consideración, entre otros elementos, (1) si las reservas han llegado a un nivel que sea adecuado; (2) si los recursos transferidos se necesitan para las operaciones del Fondo; y (3) el efecto que esta transferencia pudiera tener sobre la capacidad del Banco para obtener empréstitos.

(c) Las distribuciones referidas en el párrafo (a) de esta sección se efectuarán, de los recursos ordinarios de capital en proporción al número de acciones de capital ordinario que posea cada miembro, y de los recursos interregionales de capital, en proporción al número de acciones de capital interregional que posea cada miembro y, asimismo, las transferencias de utilidades netas al Fondo que se efectúen en conformidad con el párrafo (b) de esta sección, se acreditarán al total de las cuotas de contribución de cada país miembro al Fondo en las proporciones antedichas.

(d) Los pagos en conformidad con el párrafo (a) de esta sección se harán en la forma y monedas que determine la Asamblea. Si los pagos se hicieren a un país miembro en monedas distintas a la suya, la transferencia de estas monedas y su utilización por el país que las reciba no podrán ser objeto de restricciones por parte de ningún miembro."

29. El inciso (ii) de la Sección 2 (b) del ARTICULO VIII, dirá:

"(ii) aumentar o disminuir el capital ordinario autorizado y el capital interregional autorizado del Banco y las contribuciones al Fondo;"

30. Los incisos (viii), (ix) y (x) de la Sección 2(b) del ARTICULO VIII, dirán:

"(viii) aprobar, previo informe de auditores, los balances generales y los estados de ganancias y pérdidas de la institución;

(ix) determinar las reservas y la distribución de las utilidades netas de los recursos ordinarios de capital, de los recursos interregionales de capital y del Fondo;

(x) contratar los servicios de auditores externos que verifiquen los balances generales y los estados de ganancias y pérdidas de la institución;"

31. La Sección 2 (e) del ARTICULO VIII, dirá:

"(e) El quórum para las reuniones de la Asamblea de Gobernadores será la mayoría absoluta de los gobernadores, que incluya la mayoría absoluta de los gobernadores de los países miembros regionales y que represente por lo menos dos tercios de la totalidad de los votos de los países miembros."

32. El inciso (ii) de la Sección 3 (b) del ARTICULO VIII, dirá:

"(ii) Un director ejecutivo será designado por el país miembro que posea el mayor número de acciones del Banco; dos directores ejecutivos serán elegidos por los gobernadores de los países miembros extrarregionales y no menos de ocho serán elegidos por los gobernadores de los restantes países miembros. El número de directores ejecutivos a elejirse en la última categoría, y el procedimiento para la elección de todos los directores electivos serán determinados por el reglamento que adopte la Asamblea de Gobernadores por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya, respecto a las disposiciones que se refieran exclusivamente a la elección de directores por los miembros extrarregionales, una mayoría de dos tercios de los gobernadores de los miembros extrarregionales, y respecto a las disposiciones que se refieran exclusivamente al número y elección de directores por los restantes países miembros, una mayoría de dos tercios de los gobernadores de los miembros regionales. Cualquier modificación del reglamento antes referido requerirá para su aprobación la misma mayoría de votos."

33. La Sección 3 (f) del ARTICULO VIII, dirá:

"(f) El quórum para las reuniones del Directorio Ejecutivo será la mayoría absoluta de los directores, que incluya la mayoría absoluta de los directores de los países regionales y que represente por lo menos dos tercios del total de los votos de los países miembros."

34. La Sección 4 del ARTICULO VIII, dirá:

"Sección 4. Votaciones

(a) Cada país miembro tendrá 135 votos más un voto por cada acción que posea tanto en el capital ordinario como en el capital interregional del Banco; sin embargo, en relación con aumentos en el capital ordinario autorizado o en el capital interregional autorizado, la Asamblea de Gobernadores podrá determinar que las acciones de capital autorizadas por tales aumentos no tendrán derecho de voto y que estos aumentos de capital no estarán sujetos al

derecho preferencial establecido por el Artículo II, Sección 3 (b).

(b) No entrará en vigencia ningún aumento en la suscripción de cualquier país miembro a las acciones de capital ordinario o a las acciones de capital interregional, y quedará suspendido todo derecho de suscribir esas acciones que tuviera el efecto de reducir el poder de votación (i) de los países miembros regionales en vías de desarrollo a menos de 53,5 por ciento de la totalidad de los votos de los países miembros; (ii) del miembro que posea el mayor número de acciones a menos de 34,5 por ciento de dicha totalidad de votos; o (iii) de Canadá a menos de 4 por ciento de dicha totalidad de votos.

(c) En las votaciones de la Asamblea de Gobernadores cada gobernador podrá emitir el número de votos que corresponda al país miembro que represente. Salvo cuando en este Convenio se disponga expresamente lo contrario, todo asunto que considere la Asamblea de Gobernadores se decidirá por mayoría de la totalidad de los votos de los países miembros.

(d) En las votaciones del Directorio Ejecutivo,

- (i) el director designado podrá emitir el número de votos que corresponda al país que lo haya designado;
- (ii) cada director elegido podrá emitir el número de votos que contribuyeron a su elección, los cuales se emitirán en bloque; y
- (iii) salvo cuando en este Convenio se disponga expresamente lo contrario, todo asunto que considere el Directorio Ejecutivo se decidirá por mayoría de la totalidad de los votos de los países miembros."

35. La Sección 5 (a) del ARTICULO VIII, dirá:

"(a) La Asamblea de Gobernadores, por mayoría de la totalidad de los votos de los países miembros, que incluya la mayoría absoluta de los gobernadores de los miembros regionales, elegirá un Presidente del Banco que, mientras permanezca en su cargo, no podrá ser gobernador, ni director ejecutivo ni suplente de uno u otro.

Bajo la dirección del Directorio Ejecutivo, el Presidente del Banco conducirá los negocios ordinarios de la institución y será el jefe de su personal. También, presidirá las reuniones del Directorio Ejecutivo, pero no tendrá derecho a voto excepto para decidir en caso de empate, circunstancia en que tendrá la obligación de emitir el voto de desempate.

El Presidente del Banco será el representante legal de la institución.

El Presidente del Banco tendrá un mandato de cinco años y podrá ser reelegido para períodos sucesivos. Cesará en sus funciones cuando así lo decida la Asamblea de Gobernadores por mayoría de la totalidad de los votos de los países miembros, que incluya la mayoría de la totalidad de los votos de los países miembros regionales."

36. La Sección 5 (e) del ARTICULO VIII, dirá:

"(e) La consideración primordial que el Banco tendrá en cuenta al nombrar su personal y al determinar sus condiciones de servicio será la necesidad de asegurar el más alto grado de eficiencia, competencia e integridad. Se dará debida consideración también a la importancia de contratar el personal en forma de que haya la más amplia representación geográfica posible, habida cuenta del carácter regional de la institución."

37. La Sección 6 (a) del ARTICULO VIII, dirá:

"(a) El Banco publicará un informe anual que contenga estados de cuentas separados de los recursos ordinarios de capital y de los recursos interregionales de capital, revisados por auditores. También deberá transmitir trimestralmente a los países miembros un resumen de su posición financiera y un estado de las ganancias y pérdidas que indiquen separadamente el resultado de sus operaciones ordinarias y de sus operaciones con recursos interregionales."

38. El primer párrafo de la Sección 2 del ARTICULO IX dirá:

"El país miembro que faltare al cumplimiento de algunas de sus obligaciones para con el Banco podrá ser suspendido cuando lo decida la Asamblea de Gobernadores por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya una mayoría de dos tercios del número total de los gobernadores, la cual a su vez, en caso de la suspensión de un país miembro de la región, incluirá una mayoría de dos tercios de los gobernadores de los miembros regionales y, en caso de la suspensión de un país miembro extrarregional, una mayoría de dos tercios de los gobernadores de los miembros extrarregionales."

39. La Sección 3 del ARTICULO IX quedará modificada como sigue:

(1) La tercera oración del párrafo (d) (ii) dirá:

"No se podrá, sin embargo, retener monto alguno por causa de la responsabilidad que eventualmente tuviere el país por requerimientos futuros de pago de su

suscripción de acuerdo con el Artículo II, Sección 4 (a) (ii) o el Artículo IIA, Sección 3 (c)."

- (2) La segunda oración del párrafo (d)(iii) dirá:

"Además, el país ex-miembro continuará obligado a satisfacer cualquier requerimiento de pago, de acuerdo con el Artículo II, Sección 4 (a) (ii) o el Artículo IIA, Sección 3 (c), hasta el monto que habría estado obligado a cubrir si la disminución de capital y el requerimiento hubiesen tenido lugar en la época en que se determinó el precio de readquisición de sus acciones."

40. La Sección 2 del ARTICULO X dirá:

"Sección 2. Terminación de Operaciones

El Banco podrá terminar sus operaciones por decisión de la Asamblea de Gobernadores adoptada por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya una mayoría de dos tercios de los gobernadores de los miembros regionales. Al terminar las operaciones, el Banco cesará inmediatamente todas sus actividades excepto las que tengan por objeto conservar, preservar y realizar sus activos y solucionar sus obligaciones."

41. La Sección 3 (b) del ARTICULO X dirá:

"(b) A todos los acreedores directos se les pagará con los activos del Banco contra los cuales se cargan estas obligaciones, y luego con los fondos que se obtengan del cobro de la parte que se adeude de capital pagadero en efectivo y del requerimiento del capital exigible contra los cuales se cargan estas obligaciones. Antes de hacer ningún pago a los acreedores directos, el Directorio Ejecutivo deberá tomar las medidas que a su juicio sean necesarias para asegurar una distribución a prorrata entre los acreedores de obligaciones directas y los de obligaciones eventuales."

42. La Sección 4 (a) del ARTICULO X dirá:

"(a) No se hará ninguna distribución de activos entre los países miembros a cuenta de las acciones que tuvieren en el Banco mientras no se hubieren cancelado todas las obligaciones con los acreedores que sean a cargo de tales acciones, o se hubiere hecho provisión para su pago. Se requerirá, además, que la Asamblea de Gobernadores, por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya una mayoría de dos tercios de los gobernadores de los miembros regionales, decida efectuar la distribución."

43. Los párrafos (a) y (b) del ARTICULO XII dirán:

"(a) (i) El presente Convenio sólo podrá ser modificado por acuerdo de la Asamblea de Gobernadores, por mayoría del número total de los gobernadores, que incluya dos tercios de los gobernadores de los miembros regionales, y que represente por lo menos tres cuartos de la totalidad de los votos de los países miembros; sin embargo, las mayorías establecidas en el Artículo II, Sección 1 (b), sólo podrán modificarse por las mayorías especificadas en dicha sección.

(ii) Los artículos pertinentes de este Convenio podrán ser modificados según lo dispuesto en el párrafo (a)(i) anterior, para disponer la fusión del capital interregional y del capital ordinario en el momento en que el Banco haya cumplido sus compromisos por concepto de todos los empréstitos para incluirse en sus recursos ordinarios de capital, que estén pendientes de amortización al 31 de diciembre de 1974.

(b) No obstante lo dispuesto en el párrafo (a) anterior, se requerirá el acuerdo unánime de la Asamblea de Gobernadores para aprobar cualquier modificación que altere:

- (i) el derecho de retirarse del Banco de acuerdo con lo dispuesto en el Artículo IX, Sección 1;
- (ii) el derecho a comprar acciones del Banco y a contribuir al Fondo, según lo dispuesto en el Artículo II, Sección 3 (b) y en el Artículo IV, Sección 3 (g), respectivamente; y
- (iii) la limitación de responsabilidades que prescribe el Artículo II, Sección 3 (d), el Artículo IIIA, Sección 2(e) y el Artículo IV, Sección 5."

SECCION 2. Entrada en vigencia

Determinar que las modificaciones que preceden entrarán en vigencia en la fecha en que la comunicación oficial en la cual se hace constar su adopción ha sido dirigida a los países miembros, de acuerdo con el Artículo XII (c) del Convenio Constitutivo del Banco.

(Aprobada el 1 de junio de 1976)

BANCO INTERAMERICANO DE DESARROLLO INTER-AMERICAN DEVELOPMENT BANK
BANCO INTERAMERICANO DE DESENVOLVIMENTO BANQUE INTERAMERICAINE DE DEVELOPPEMENT

WASHINGTON, D.C. 20577

I, Jorge Hazera, Secretary of the Inter-American Development Bank,

DO HEREBY CERTIFY

That the attached is the authentic text, in English, French, Portuguese and Spanish, of Resolution AG-9/76 entitled "Amendments to the Agreement Establishing the Bank with respect to the Creation of the Inter-regional Capital Stock of the Bank and to Related Matters", which was approved by the Board of Governors on June 1, 1976 and entered into force on the same date.

In witness whereof, I have subscribed my signature and have caused the seal of the Bank to be affixed hereunto, at Washington, D.C., this twenty-eighth day of June, nineteen hundred and seventy-six.

[SEAL]



INTER-AMERICAN DEVELOPMENT BANK

RESOLUTION AG-10/76

GENERAL RULES GOVERNING ADMISSION OF NONREGIONAL COUNTRIES
TO MEMBERSHIP IN THE BANK

WHEREAS Article II, Section 1(b), of the Agreement Establishing the Bank provides that nonregional countries which are members of the International Monetary Fund, and Switzerland, may be admitted as members to the Bank under such general rules as the Board of Governors shall have established;

WHEREAS certain nonregional countries have expressed their interest in becoming members of the Bank; and

WHEREAS the Board of Governors has concluded that it would be desirable to admit such nonregional countries as members of the Bank and that their admission should be accomplished through (i) the amendment of the Agreement Establishing the Bank to provide, among other matters, for the creation of a new category of capital which shall be denominated inter-regional capital stock of the Bank; (ii) the adoption of general rules governing the admission of nonregional member countries, including provisions for an increase in the resources of the Fund for Special Operations; and (iii) an increase in the authorized ordinary capital stock of the Bank,

The Board of Governors

RESOLVES THAT:

The attached General Rules Governing Admission of Nonregional Countries to Membership in the Bank be approved.

GENERAL RULES GOVERNING ADMISSION OF NONREGIONAL COUNTRIES
TO MEMBERSHIP IN THE BANK

SECTION 1. Conditions for Nonregional Membership

Nonregional countries which are members of the International Monetary Fund, and Switzerland, may become members of the Bank provided that, on such date in the calendar year 1976 as the Board of Executive Directors shall determine, the following conditions shall have been fulfilled:

- (a) The amendments to the Agreement Establishing the Bank provided for in the resolution entitled "Amendments to the Agreement Establishing the Bank with respect to the Creation of the Inter-regional Capital Stock of the Bank and to Related Matters" shall have entered into force;
- (b) The increase in the authorized ordinary capital stock provided for in the resolution entitled "Increase in the Authorized Callable Ordinary Capital Stock and Subscriptions Thereto in Connection with the Admission of Nonregional Member Countries" shall have come into effect;
- (c) At least eight nonregional countries, including not less than four countries with contributions to the Fund for Special Operations of not less than US\$60,000,000 each, through the deposit of appropriate instruments with the Bank, shall have agreed:
 - (i) to subscribe at least 31,100 shares of inter-regional capital stock in accordance with Section 2 hereof.
 - (ii) to contribute at least the equivalent of US\$375,000,000 ^{1/} to the resources of the Fund for Special Operations in accordance with Section 3 hereof;

If it deems it appropriate after March 1, 1976, the Board of Executive Directors may reduce the total share subscriptions and the total contributions to the Fund for Special Operations specified in subparagraphs (i) and (ii) above.

Subscriptions to the inter-regional capital stock and contributions to the Fund for Special Operations by the nonregional countries shall be at least in the following amounts:

^{1/} U.S. dollars of the weight and fineness in effect upon the October 18, 1973 change in the par value of the U.S. dollar.

PAID-IN INTER-REGIONAL CAPITAL SUBSCRIPTIONS		CALLABLE INTER-REGIONAL CAPITAL SUBSCRIPTIONS		TOTAL INTER-REGIONAL CAPITAL SUBSCRIPTIONS	
	Amounts Expressed in 1959 U.S. Dollars ^{1/}		Amounts Expressed in 1959 U.S. Dollars ^{1/}		Amounts Expressed in 1959 U.S. Dollars ^{1/}
Austria	69	650,000	632,377	350	3,500,000
Belgium	171	1,710,000	2,062,847	665	8,650,000
Denmark	74	710,000	892,694	373	3,730,000
Germany	863	8,630,000	10,110,742	4,367	43,670,000
Iceland	68	680,000	620,313	316	3,460,000
Italy	842	8,420,000	10,157,410	4,264	42,610,000
Japan	540	9,100,000	11,339,627	4,157	47,570,000
Netherlands	126	1,260,000	1,544,120	618	6,160,000
Portugal	69	680,000	820,313	316	3,460,000
Spain	842	8,420,000	10,157,410	4,264	42,610,000
Switzerland	128	1,880,000	2,267,925	952	9,560,000
United Kingdom	842	8,420,000	10,157,410	4,264	42,610,000
Yugoslavia	69	690,000	832,377	350	3,500,000
Sub-Total	5,164	51,640,000	62,295,565	26,346	261,460,000
Unassigned	1,836	18,360,000	22,146,462	8,854	88,510,000
Total	7,000	70,000,000	84,144,027	35,000	350,000,000

CONTRIBUTIONS TO THE FUND FOR SPECIAL OPERATIONS	
	Amounts Expressed in current U.S. Dollars ^{2/}
America	5,054,578
Expressed in current U.S. Dollars ^{2/}	12,497,716
5,392,354	53,091,751
63,091,751	4,994,261
4,994,261	61,595,886
61,595,886	68,725,375
68,725,375	9,361,224
9,361,224	4,994,261
4,994,261	61,595,886
61,595,886	13,752,313
13,752,313	61,595,886
61,595,886	313,100,000
313,100,000	106,920,000
106,920,000	128,928,992
128,928,992	506,664,161
506,664,161	506,664,161

1/ U.S. dollars at the weight and fineness in effect on January 1, 1959.

2/ U.S. dollars at the weight and fineness in effect upon the October 18, 1973 change in the per value of the U.S. dollar.

SECTION 2. Subscriptions to Inter-regional Capital Stock

- (a) Nonregional countries listed in Section 1 hereof may subscribe to shares of inter-regional capital stock.
- (b) Each subscription shall include at least the full amount of both paid-in inter-regional capital shares and callable inter-regional capital shares assigned to the respective country in Section 1 hereof, and each subscribing country shall represent to the Bank that it has taken all necessary action to authorize its subscription and shall furnish to the Bank such information thereon as the latter may request.
- (c) The subscription of each country to the paid-in inter-regional capital stock shall be on the following terms and conditions:
 - (i) The subscription price per share shall be US\$10,000 in terms of United States dollars of the weight and fineness in effect on January 1, 1959.
 - (ii) Payment of the amount of paid-in inter-regional capital stock subscribed by each country shall be made in three equal installments, except that the Board of Executive Directors, taking into account special circumstances with respect to particular countries, may agree (i) that the amount of the first installment to be paid by the respective country may be decreased to not less than 20% of the amount of the paid-in capital assigned to such country, with the two subsequent installments to be adjusted accordingly; or (ii) that payment by the respective country may be made in five equal annual installments. The first installment shall be paid by each country within thirty days after the entry into force of these General Rules or on or before the date of deposit of the instrument of acceptance or ratification in accordance with Section 4 (c)(ii) hereof, whichever shall be later. If a country chooses to pay the first installment in cash, it may make the payment not later than the end of the calendar year in which these General Rules enter into force or the calendar year in which the member deposits its instrument of ratification, if this is later. Each of the remaining annual installments shall become due at intervals of one year after the date on which the first installment becomes due.
 - (iii) Each installment shall be paid entirely in the currency of the contributing country which shall make arrangements satisfactory to the Bank to assure that such currency shall be freely convertible into the currencies of other countries for the purposes of the Bank's operations.
 - (iv) 50% of each installment shall be subject to the provisions of Article V, Section 1 (b)(i), of the Agreement Establishing the Bank and shall be paid in cash. With respect to the remaining 50% of each installment, unless a country elects to make payment thereof also in cash, the Board of Executive Directors shall establish a schedule pursuant to which any non-negotiable, non-interest-bearing promissory notes or similar securities accepted pursuant to Article V, Section 4, shall be paid to the Bank.

- (d) The subscription of each country to the callable inter-regional capital stock shall be on the following terms and conditions:
- (i) The subscription price per share shall be US\$10,000 in terms of United States dollars of the weight and fineness in effect on January 1, 1959.
- (ii) The subscription of each country to the callable inter-regional capital stock shall be in three equal installments, which shall be subscribed, respectively, on or before the corresponding dates for payment of each of the first three installments of the country's subscription to the paid-in inter-regional capital stock pursuant to Section 2 (c)(ii) hereof.
- (e) The inter-regional capital resources shall be utilized in making loans in such a manner as to ensure a reasonable distribution of such loans and subsequent obligations between ordinary and inter-regional capital resources.
- (f) At such time as the Bank shall have discharged its liabilities on all its ordinary capital borrowings which were outstanding at December 31, 1974, measures shall be taken to merge the inter-regional capital stock and the ordinary capital stock.

SECTION 3. Increase in the Fund for Special Operations and Contributions Thereto

- (a) Subject to the provisions of these General Rules, the resources of the Fund for Special Operations shall be increased by the equivalent of US\$506,664,161, through contributions by nonregional countries, it being understood from their approval of these General Rules that the regional member countries do not wish to avail themselves of their right to contribute to a proportional share of such increase pursuant to Article IV, Section 3(g), of the Agreement Establishing the Bank.
- (b) Such increase shall become effective and such contributions shall become payable only upon these General Rules entering into force pursuant to Section 10 hereof.
- (c) Nonregional countries shall make contributions to the Fund for Special Operations equivalent to their subscriptions to non-regional capital stock pursuant to Section 1(c) hereof.
- (d) Each country shall make its contribution entirely in its own currency and shall make arrangements satisfactory to the Bank to assure that such currency shall be freely convertible into the currencies of other countries for the purposes of the Bank's operations.
- (e) The entire amount of each contribution shall constitute national currency to which the provisions of Article V, Section 1(c), of the Agreement Establishing the Bank, shall be applicable. Should a country elect not to make payment of its entire contribution or any part thereof in cash, the Bank, pursuant to Article V, Section 4, of the Agreement Establishing the Bank, shall accept non-negotiable, non-interest-bearing promissory notes or similar securities for which the Board of Executive Directors shall establish a schedule of encashment.

- (f) The contributions shall be made in three equal installments, except that the Board of Executive Directors, taking into account special circumstances with respect to particular countries, may agree (i) that the amount of the first installment to be paid by the respective country may be decreased to not less than 20% of the amount of the total contribution assigned to such country, with the two subsequent installments to be adjusted accordingly; or (ii) that payment by the respective country may be made in five equal annual installments. The installments shall be paid on the same dates as the payments by the country of its installments of paid-in inter-regional capital stock pursuant to Section 2 hereof.
- (g) Each payment of a country shall be in such an amount as, in the opinion of the Bank, is equivalent to the full value, in terms of United States dollars of the weight and fineness in effect upon the October 18, 1973 change in the par value of the United States dollar.
- (h) Currencies of all the members held by the Bank which are derived from these contributions shall be subject to the maintenance of value provisions of Article V, Section 3, of the Agreement Establishing the Bank, but the standard of value set for this purpose shall be the United States dollar of the weight and fineness in effect upon the October 18, 1973 change in the par value of the United States dollar, provided, however, that the Bank may waive this readjustment in the event of a currency realignment involving a significant number of members of the Bank.
- (i) Notwithstanding the provisions of Article IV, Section 3(g), of the Agreement Establishing the Bank, and in keeping with the traditional method for augmenting the resources of the Fund for Special Operations, any future increases in the resources of the Fund for Special Operations shall be in such proportions and on such terms and conditions as shall be negotiated at that time.

SECTION 4. Requirements for Nonregional Membership

A nonregional country shall become a member of the Bank when:

- (a) The Board of Executive Directors shall have determined that all the conditions of Section 1 hereof have been fulfilled;
- (b) These General Rules have entered into force pursuant to Section 10 hereof; and
- (c) The President shall have declared that the country has fulfilled all the following requirements:
 - (i) Its duly authorized representative has signed the original of the Agreement, as amended, deposited with the General Secretariat of the Organization of American States;
 - (ii) It has deposited with the General Secretariat of the Organization of American States an instrument setting forth that it has accepted or ratified, in accordance with its law, the Agreement and all the terms and conditions prescribed in these General Rules and that it has taken the steps necessary to fulfill all of its obligations under the Agreement and under these General Rules; and

- (iii) It has represented to the Bank that it has taken all action necessary to sign the Agreement and deposit the instrument of acceptance or ratification as contemplated by paragraphs (i) and (ii) above and it shall have furnished to the Bank such information in respect of such action as the Bank may have requested.

SECTION 5. Additional Nonregional Countries

Additional nonregional countries not listed in Section 1 hereof may become members of the Bank in accordance with such terms as the Board of Governors shall establish. The subscriptions of such additional nonregional countries and their respective contributions to the Fund for Special Operations shall be such number of shares of paid-in and callable inter-regional capital stock and such contributions to the Fund for Special Operations as shall be determined by the Board of Governors with due regard to the conditions of the subscriptions and contributions of the nonregional countries listed in Section 1 hereof.

SECTION 6. Unsubscribed Stock and Contribution Quotas

Inter-regional capital stock and contribution quotas to the Fund for Special Operations provided for by Section 1 (c) of these General Rules which have not been subscribed by the nonregional countries listed in Section 1 hereof or by additional nonregional countries as provided in Section 5 hereof within two years from the date on which these General Rules shall have entered into force may then be subscribed by the nonregional member countries which are members at that time. Each such member shall have the right to subscribe to a proportion of the available stock equivalent to the proportion which its stock already subscribed bears to the total subscribed inter-regional capital stock. Likewise, each such member shall have the right to subscribe to a proportion of the unsubscribed quotas to the Fund for Special Operations equivalent to the proportion which its contribution quota bears to the total subscribed quota contributions. In each subscription there shall be maintained the ratio of paid-in to callable capital as well as the ratio of contributions to the Fund for Special Operations to subscriptions to capital stock established in these General Rules. Payment for the paid-in capital and the contribution quotas to the Fund for Special Operations, as well as the subscriptions to the callable capital so subscribed, shall be accomplished within three years from the date on which these General Rules enter into force.

SECTION 7. Special Quorum and Voting Power

- (a) The agreement of a two-thirds majority of the total number of governors of nonregional members representing not less than three fourths of the total voting power of the nonregional member countries shall be required for the approval of:
- (i) any amendment of the Agreement Establishing the Bank modifying: (1) the number of governors who shall be appointed by the nonregional member countries; (2) the number of executive directors who shall be elected by the governors of the nonregional member countries as provided in Article VIII, Section 3(b)(ii), of the Agreement; (3) Article VII, Section 3 (d), (e) and (f), of the Agreement; or (4) the provisions relating to the distribution of the net profits and surplus of the inter-regional capital resources as provided in Article VII, Section 4, of the Agreement; and

- (ii) any increase in the authorized inter-regional capital stock as provided in Article IIA, Section 1 (c), of the Agreement.
- (b) No increase in the subscription of any member to either the ordinary capital stock or the inter-regional capital stock shall become effective, and any right to subscribe thereto is hereby waived, which would have the effect of reducing the voting power (i) of the regional developing members below 53.5 per cent of the total voting power of the member countries; (ii) of the member having the largest number of shares below 34.5 per cent of such total voting power; or (iii) of Canada below 4 per cent of such total voting power, provided that, notwithstanding the foregoing provisions and the provisions of Article VIII, Section 4(b), of the Agreement Establishing the Bank, any resolution of the Board of Governors for an increase in the ordinary capital stock or the inter-regional capital stock of the Bank shall specify that (1) in order to prevent the voting power of the regional developing members as a group from falling below the set percentage, any member of the group may subscribe to shares allocated to another member of the group if the latter member does not wish to subscribe to such shares; (2) the provision relating to percentages of voting power may be waived by the regional developing members as a group with respect to (i), and by the United States and Canada with respect to (ii) and (iii), respectively; and (3) any member of the group of nonregional members may subscribe to shares allocated to another member of the group if the latter member does not wish to subscribe to such shares.

SECTION 8. Amendment of the Regulations for Election of Executive Directors

Since nonregional countries shall have the right to elect two executive directors with their own votes as provided in Article VIII, Section 3(b) (ii), of the Agreement Establishing the Bank, as amended by the resolution referred to in Section 1(a) hereof, the Regulations for Election of Executive Directors, provided for in said Article of the Agreement, are amended to read as set forth in Annex I hereto. These amendments shall become effective on the same date as these General Rules enter into force.

SECTION 9. Number of Executive Directors

The agreement of a two-thirds majority of the total number of governors of nonregional members shall be required for the approval of an increase in the number of executive directors of the Bank beyond a total number of thirteen executive directors.

SECTION 10. Entry into Force

These General Rules shall enter into force only after the Board of Executive Directors shall have determined that all the conditions of Section 1 hereof have been fulfilled and after the President shall have declared that at least eight nonregional countries have satisfied all of the requirements of Section 4(c) hereof.

(Approved June 1, 1976)

ANNEX I

REGULATIONS FOR THE ELECTION OF EXECUTIVE DIRECTORS

I. ELECTION OF EXECUTIVE DIRECTORS

1. The Governors eligible to vote in accordance with Article VIII, Section 3(b)(ii), of the Agreement Establishing the Bank shall elect ten Executive Directors.
2. The Governor for Canada shall elect one Executive Director with the votes of his country.
3. The Governors for the regional developing member countries shall elect seven Executive Directors in accordance with the following provisions:
 - (a) This section shall apply exclusively to the regional developing member countries, and the total voting power of those countries shall be counted as 100 per cent for the purposes hereof.
 - (b) Each Governor eligible to vote under this section shall cast in favor of a single person all the votes to which the member country he represents is entitled under Article VIII, Section 4(a), of the Agreement Establishing the Bank.
 - (c) In the first place, as many ballots as are necessary shall be taken until five persons have been elected Executive Directors in the following manner:
 - (i) Each of two candidates has received a number of votes constituting not less than the sum of the votes ap-pertaining to the country with the greatest voting power and to the country with the least voting power.
 - (ii) One candidate has received a number of votes con-stituting not less than the sum of the votes ap-pertaining to the country with the third greatest voting power and to the two countries with the least voting power.
 - (iii) One candidate has received a number of votes con-stituting not less than the sum of the votes ap-pertaining to the country with the fourth greatest voting power and to the two countries with the least voting power.
 - (iv) One candidate has received a number of votes con-stituting not less than the sum of the votes ap-pertaining to the country with the fifth greatest voting power and to the three countries with the least voting power.
 - (d) In the second place, Governors whose votes have not been cast in favor of any of the Directors elected under para-graph (c) shall elect two Executive Directors on the basis that only countries individually having not more than two and one-half per cent (2-1/2%) of the total voting power shall be eligible to present candidates and to vote. The two candidates who receive the greatest number of votes shall be deemed elected, provided that in each case these votes have been cast by three or more countries, and as

many ballots shall be taken as are necessary to reach this result.

- (e) After the balloting has been completed, each Governor who did not vote for any of the candidates elected shall assign his votes to one of them. The number of votes appertaining under Article VIII, Section 4(a), of the Agreement Establishing the Bank to each Governor who has voted for or assigned his votes to a candidate elected under these Regulations shall be deemed for the purposes of Article VIII, Section 4 (d) (ii), of the Agreement to have counted toward the election of such candidate.
4. The Governors for the nonregional countries shall elect two Executive Directors in accordance with the following provisions:
- (a) This section shall apply exclusively to the nonregional member countries and the total voting power of those countries shall be counted as 100 per cent for the purposes hereof.
 - (b) Each Governor eligible to vote under this section shall cast in favor of a single person all the votes to which the member country he represents is entitled under Article VIII, Section 4 (a), of the Agreement Establishing the Bank.
 - (c) The two candidates receiving the largest number of votes shall be Executive Directors, provided that no person shall be deemed elected unless he has received the votes of three or more nonregional Governors constituting at least 40 per cent of the total eligible votes, but provided further that he shall not have received more than 60 per cent of such total votes. As many ballots as are necessary shall be taken until two candidates have been elected.
 - (d) After the balloting has been completed, each Governor who did not vote for either of the candidates elected shall assign his votes to one of them. The number of votes appertaining under Article VIII, Section 4 (a), of the Agreement Establishing the Bank to each Governor who has voted for or assigned his votes to a candidate elected under these Regulations shall be deemed for the purposes of Article VIII, Section 4 (d) (ii), of the Agreement to have counted toward the election of such candidate.

II. RULES OF PROCEDURE FOR THE ELECTION

5. Notice of the Election

At least ninety days before the Annual Meeting of the Board of Governors at which a general election of Executive Directors is to be held, the Secretary shall so notify the Governors and invite them to nominate candidates.

6. Supervision of the Election

The Chairman of the Board of Governors shall supervise the election, shall appoint two Governors as tellers to supervise the balloting and count the votes, and shall take such other action as he deems necessary for the conduct of the election.

7. Nominations

- (a) The election shall take place among the candidates nominated in accordance with these rules of procedure.
- (b) The Executive Directors shall be persons of recognized competence and wide experience in economic and financial matters and shall not be Governors (Article VIII, Section 3(b)(i), of the Agreement Establishing the Bank).
- (c) A Governor may not nominate more than one person.
- (d) Nominations shall be submitted to the Secretary.
- (e) Each nomination shall be made in writing and shall be signed by the Governor making the nomination.
- (f) The Secretary shall distribute to the Governors a list of the persons nominated.
- (g) The period for nominating candidates shall end at 10:00 a.m. of the first day of the Annual Meeting of the Board of Governors at which the election is to be held.

8. Election

- (a) The election shall consist of four separate stages. The Executive Director referred to in Section 2 of these Regulations shall be elected in the first stage. The five Directors referred to in Section 3(c) of these Regulations shall be elected in the second stage, the two Directors mentioned in Section 3(d) thereof in the third, and the two Directors referred to in Section 4 in the fourth.
- (b) Each Governor may participate in only one stage of voting.
- (c) For each stage of the voting the Secretary shall announce the names of the official candidates and of the countries eligible to vote.

9. Balloting

Each ballot shall be taken as follows:

- (a) Votes shall be cast on forms which the Secretary shall furnish before the beginning of the ballot to each Governor entitled to vote. On each ballot, only those votes shall be counted which have been cast on the forms distributed for that ballot.
- (b) After the name of each country is announced by the Secretary, the Governor therefor shall deposit his signed vote in the ballot box.
- (c) When a ballot has been completed, the tellers shall check the number of votes and proceed to a count of the votes cast.
- (d) If the tellers are of the opinion that any particular vote needs clarification or has not been properly executed, they shall, if possible, afford the Governor concerned an opportunity to correct it before completing the tally; and such vote, if so corrected, shall be deemed to be valid.

- (e) As many ballots as are necessary shall be taken until all the Executive Directors to be elected in the separate elections provided for in Section 3(c), Section 3(d), and Section 4 of these Regulations have been elected, in each case in a single ballot.
- (f) The Chairman of the Board shall state whether or not an election has been effected and if it has, he shall announce the names of the persons elected and of the member countries which elected them.

10. Elimination of Candidates

In any ballot, the Governor or Governors who have nominated a candidate may advise the Secretary that he will not participate in succeeding ballots, in which case his name shall be removed from the list of candidates.

11. Settlement of Differences

Any question arising in connection with the conduct of the election shall be resolved by the tellers, subject to appeal, at the request of any Governor, to the Chairman of the Board and from him to the Board. Whenever possible, questions shall be put without identifying the member country or Governor concerned.

III. VACANCY IN THE BOARD OF EXECUTIVE DIRECTORS

- 12. Directors shall continue in office until their successors are appointed or elected. If the office of an elected Director becomes vacant more than 180 days before the end of his term, a successor shall be elected for the remainder of the term (Article VIII, Section 3(d), of the Agreement Establishing the Bank).
- 13. When a new Executive Director must be elected because of a vacancy requiring an election, the President of the Bank shall immediately notify the member countries which elected the former Director of the existence of the vacancy and request that candidates be nominated.
- 14. The President of the Bank may convene a meeting of the Governors of such countries for the exclusive purpose of electing a new Director or he may conduct the election by mail or telegraph. Successive ballots shall be cast until one of the candidates receives an absolute majority of the votes cast.

IV. AMENDMENT OF THE REGULATIONS

- 15. The Board of Governors may amend these Regulations at any of its meetings, or by a vote without calling a meeting, by a three-fourths majority of the total voting power of the member countries, including:
 - (a) with respect to amendments of Sections 1, 2, 3, 5 through 14, and 15(a), a two-thirds majority of the Governors of regional members; and
 - (b) with respect to amendments of Sections 4 and 15(b), a two-thirds majority of the Governors of nonregional members.

BANQUE INTERAMÉRICAINE DE DEVELOPPEMENT

RESOLUTION AG-10/76

NORMES GENERALES REGISSANT L'ADMISSION DE PAYS EXTRA-REGIONAUX
COMME MEMBRES DE LA BANQUE

CONSIDERANT que l'Article II, Section 1 (b), de l'Accord constitutif de la Banque stipule que les pays extra-régionaux membres du Fonds monétaire international et la Suisse peuvent être admis à la Banque en qualité de membres conformément aux normes générales que l'Assemblée des Gouverneurs aura établies;

CONSIDERANT que certains pays extra-régionaux ont manifesté leur intérêt de devenir membres de la Banque; et

CONSIDERANT que l'Assemblée des Gouverneurs est parvenue à la conclusion qu'il serait souhaitable d'admettre ces pays extra-régionaux comme membres de la Banque et que leur admission devrait se faire au moyen (i) de la modification de l'Accord constitutif de la Banque afin de prévoir, entre autres questions, la création d'une nouvelle catégorie de capital qui sera dénommée capital interrégional de la Banque; (ii) de l'adoption de normes générales régissant l'admission de pays membres extra-régionaux, y compris des dispositions en vue d'une augmentation des ressources du Fonds des Opérations spéciales; et (iii) d'une augmentation du capital ordinaire autorisé de la Banque;

L'Assemblée des Gouverneurs

DECIDE DE CE QUI SUIT:

Les Normes générales ci-jointes régissant l'admission de pays extra-régionaux comme membres de la Banque sont approuvées.

NORMES GENERALES REGISSANT L'ADMISSION DE PAYS EXTRA-REGIONAUX
COMME MEMBRES DE LA BANQUESECTION 1. Conditions applicables à l'admission de membres extra-régionaux

Les pays extra-régionaux membres du Fonds monétaire international et la Suisse peuvent devenir membres de la Banque à condition que, à la date de l'année civile 1976 que le Conseil des Directeurs exécutifs aura déterminée, les conditions suivantes aient été remplies:

- (a) Les amendements à l'Accord constitutif de la Banque prévus dans la résolution intitulée "Amendements à l'Accord constitutif de la Banque concernant la création du capital interrégional de la Banque et les questions connexes" devront être entrés en vigueur;
- (b) L'augmentation du capital ordinaire autorisé prévue dans la résolution intitulée "Augmentation du capital ordinaire autorisé sujet à l'appel et souscriptions audit capital lors de l'admission de pays membres extra-régionaux" devra avoir été effectuée;
- (c) Au moins huit pays extra-régionaux, y compris au moins quatre pays dont les contributions au Fonds des Opérations spéciales sont d'au moins 60.000.000 de dollars des Etats-Unis chacun, devront, au moyen du dépôt auprès de la Banque des instruments appropriés, s'être engagés:
 - (i) A souscrire au moins 31.100 actions du capital interrégional conformément à la Section 2 des présentes Normes générales;
 - (ii) A verser aux ressources du Fonds des Opérations spéciales une somme équivalente à au moins 375.000.000 de dollars des Etats-Unis^{1/}, conformément à la Section 3 des présentes Normes générales.

Si le Conseil des Directeurs exécutifs le juge approprié, il pourra réduire après le 1er mars 1976 le montant total des souscriptions d'actions et le montant total des contributions au Fonds des Opérations spéciales spécifiés aux alinéas (i) et (ii) ci-dessus.

Les souscriptions au capital interrégional et les contributions au Fonds des Opérations spéciales des pays extra-régionaux seront au moins équivalentes aux montants ci-après:

1/ Dollars des Etats-Unis du poids et du titre en vigueur lors de la modification de la parité du dollar des Etats-Unis intervenue le 18 octobre 1973.

Souscriptions au capital international versées		Souscriptions au capital international suivant à l'apport		Total des souscriptions au capital international		Constitutions au fonds des organisations internationales	
		Montants exprimés en dollars des Et.-U.	Montants exprimés en dollars des Et.-U. 2/			Montants exprimés en dollars des Et.-U.	
		de 1959 1/	de 1959 1/			en dollars courants des Et.-U. 2/	
Actions							
Allemagne	863	8,630,000	10,410,714	4,367	43,670,000	52,681,009	63,091,751
Autriche	69	650,000	832,377	350	3,500,000	4,222,201	5,054,578
Bolivie	171	1,710,000	2,062,847	665	8,650,000	10,436,869	12,497,716
Danemark	74	740,000	892,694	373	3,730,000	4,459,650	5,397,354
Egypte	812	8,420,000	10,157,410	4,264	42,640,000	51,439,476	51,050,000
Israël	68	680,000	820,313	346	3,460,000	4,173,948	4,116,000
Italie	642	8,420,000	10,157,410	4,264	42,640,000	51,438,476	4,116,000
Japon	940	9,400,000	11,339,627	4,757	47,510,000	57,395,748	56,970,000
Laya-Bas	120	1,280,000	1,544,120	648	6,160,000	7,817,104	7,760,000
Portugal	68	680,000	820,313	346	3,460,000	4,173,948	4,116,000
Royaume-Uni	812	8,420,000	10,157,410	4,264	42,640,000	51,438,476	51,050,000
Suisse	188	1,880,000	2,267,925	952	9,280,000	11,468,368	11,400,000
Yougoslavie	60	680,000	812,377	350	3,500,000	4,222,201	4,116,000
Total	5,164	51,640,000	62,295,565	26,346	261,460,000	315,120,524	313,100,000
Non réparti	1,636	18,360,000	23,149,452	6,954	68,549,000	105,993,632	105,580,000
Total général	7,000	70,000,000	81,444,027	35,000	150,000,000	162,200,314	162,000,000

1/ Dollars des Etats-Unis du poids et du titre en vigueur le 1er janvier 1959.

2/ Dollars des Etats-Unis du poids et du titre en vigueur le 18 octobre 1973, sauf mention contraire le 18 octobre 1973.

SECTION 2. Souscriptions au capital-actions interrégional

- (a) Les pays extra-régionaux énumérés à la Section 1 des présentes Normes générales peuvent souscrire des actions du capital interrégional.
- (b) Chaque souscription comprendra au moins le montant intégral tant des actions du capital interrégional effectivement versé que des actions du capital interrégional sujet à l'appel assignées au pays correspondant à la Section 1 des présentes Normes générales, et chaque pays y souscrivant devra assurer la Banque qu'il a pris toutes les mesures nécessaires pour autoriser sa souscription et devra fournir à la Banque tous les renseignements y relatifs que cette dernière pourra demander.
- (c) La souscription de chaque pays au capital interrégional effectivement versé se fera aux termes et conditions ci-après:
 - (i) Le prix de souscription par action sera de 10.000 dollars des Etats-Unis, du poids et du titre en vigueur le 1er janvier 1959.
 - (ii) Le montant souscrit par chaque pays au titre du capital-actions interrégional effectivement versé sera divisé en trois tranches égales étant entendu toutefois que le Conseil des Directeurs exécutifs, tenant compte des circonstances particulières propres aux divers pays, peut convenir (i) que le montant de la première tranche à verser par le pays intéressé pourra être réduit à une somme qui ne sera pas inférieure à 20% du montant du capital effectivement versé assigné à ce pays, les deux tranches suivantes devant être ajustées en conséquence; ou (ii) que le montant à payer par le pays intéressé pourra être versé en cinq tranches annuelles égales. Chaque pays versera la première tranche dans un délai de trente jours à compter de l'entrée en vigueur des présentes Normes générales ou, au plus tard, à la date du dépôt de l'instrument d'acceptation ou de ratification conformément à la Section 4(c) (ii) des présentes Normes générales, si cette date est ultérieure. Si un pays choisit de verser la première tranche en espèces, il peut effectuer le versement au plus tard à la fin de l'année civile au cours de laquelle les présentes Normes générales seront entrées en vigueur ou de l'année civile au cours de laquelle le membre dépose son instrument de ratification, si cette date est ultérieure. Chacune des tranches annuelles restantes deviendra exigible à des intervalles d'un an après la date à laquelle la première tranche devient exigible.

- (iii) Le paiement de chaque tranche sera effectué intégralement dans la monnaie du pays contribuant, lequel devra prendre les dispositions que la Banque jugera satisfaisantes pour assurer que sa monnaie soit librement convertible dans les monnaies des autres pays aux fins des opérations de la Banque.
- (iv) 50% de chaque tranche seront soumis aux dispositions de l'Article V, Section 1 (b) (i) de l'Accord constitutif de la Banque et seront versés en espèces. En ce qui concerne les 50% restants de chaque tranche, et à moins qu'un pays ne décide d'en effectuer le paiement en espèces aussi, le Conseil des Directeurs exécutifs établira un plan en vertu duquel il sera payé à la Banque tout billet à ordre ou titre similaire non négociable et ne portant pas intérêt accepté conformément à l'Article V, Section 4.

(d) La souscription de chaque pays au capital interrégional sujet à l'appel se fera aux termes et conditions ci après:

- (i) Le prix de souscription par action sera de 10.000 dollars des Etats-Unis, du poids et du titre en vigueur le 1er janvier 1959.
- (ii) La souscription de chaque pays au capital interrégional sujet à l'appel se fera en trois tranches égales, lesquelles seront souscrites respectivement aux dates correspondantes, ou avant, applicables au versement de chacune des trois premières tranches de la souscription de ce pays au capital interrégional effectivement versé conformément à la Section 2 (c) (ii) des présentes Normes générales.

(e) Les ressources interrégionales de capital seront utilisées pour consentir des prêts d'une façon propre à assurer une répartition raisonnable de ces prêts et des obligations subséquentes entre les ressources ordinaires et interrégionales de capital.

(f) Au moment où la Banque se sera libérée de ses obligations au titre de tous les fonds qu'elle aura empruntés pour être incorporés à son capital ordinaire et qui n'étaient pas remboursés au 31 décembre 1974, des mesures seront prises pour fusionner le capital interrégional et le capital ordinaire.

SECTION 3. Augmentation des ressources du Fonds des Opérations spéciales et contributions y relatives

(a) Sous réserve des dispositions des présentes Normes générales, les ressources du Fonds des Opérations spéciales seront augmentées de

l'équivalent de US\$506.664.161, au moyen des contributions de pays extra-régionaux, étant entendu que les pays membres régionaux, en approuvant les présentes Normes générales, ne souhaitent pas exercer leur droit de contribuer à une part proportionnelle de cette augmentation conformément à l'Article IV, Section 3 (g), de l'Accord constitutif de la Banque.

(b) Cette augmentation ne prendra effet et ces contributions ne deviendront exigibles que lorsque les présentes Normes générales seront entrées en vigueur conformément à la Section 10 desdites Normes.

(c) Les pays extra-régionaux verseront au Fonds des Opérations spéciales des contributions équivalentes à leurs souscriptions au capital interrégional conformément à la Section 1 (c) des présentes Normes générales.

(d) Chaque pays versera sa contribution intégralement dans sa monnaie et il prendra les dispositions que la Banque jugera satisfaisantes pour assurer que cette monnaie soit librement convertibles dans les monnaies des autres pays aux fins des opérations de la Banque.

(e) Le montant intégral de chaque contribution constituera une monnaie nationale à laquelle seront applicables les dispositions de l'Article V, Section 1(c), de l'Accord constitutif de la Banque. Au cas où un pays choisirait de ne pas verser l'intégralité ou une partie quelconque de sa contribution en espèces, la Banque, conformément à l'Article V, Section 4, de l'Accord constitutif de la Banque, acceptera des billets à ordre ou titres similaires non négociables et ne portant pas intérêt, pour lesquels le Conseil des Directeurs exécutifs établira un plan d'encaissement.

(f) Les contributions seront versées en trois tranches égales, étant entendu que le Conseil des Directeurs exécutifs, tenant compte des circonstances spéciales propres aux divers pays, peut convenir (i) que le montant de la première tranche à verser par le pays intéressé pourra être réduit à une somme qui ne sera pas inférieure à 20% du montant de la contribution totale assignée à ce pays, les deux tranches subséquentes étant ajustées en conséquence; ou (ii) que le montant à payer par le pays intéressé pourra être versé en cinq tranches annuelles égales. Les tranches seront versées aux mêmes dates que celles auxquelles le pays verse ses tranches du capital interrégional effectivement versé conformément à la Section 2 des présentes Normes générales.

(g) Chaque paiement d'un pays devra être d'un montant qui, d'après l'opinion de la Banque, soit en dollars des Etats-Unis d'Amérique du poids et du titre en vigueur lors de la modification de la parité du dollar des Etats-Unis intervenue le 18 octobre 1973, égal à la valeur totale.

(h) Les monnaies de tous les membres détenues par la Banque et provenant de ces contributions seront soumises aux dispositions concernant le maintien de la valeur des monnaies figurant à l'Article V, Section 3, de

l'Accord constitutif de la Banque, mais l'étalement monétaire de base sera le dollar des Etats-Unis du poids et du titre en vigueur lors de la modification de la parité du dollar des Etats-Unis intervenue le 18 octobre 1973, étant entendu toutefois que la Banque pourra renoncer à ce réajustement en cas de réalignement monétaire intéressant un nombre significatif de membres de la Banque.

(i) Nonobstant les dispositions de l'Article IV, Section 3 (g), de l'Accord constitutif de la Banque, et conformément à la méthode traditionnelle d'augmentation des ressources du Fonds des Opérations spéciales, toutes futures augmentations des ressources du Fonds des Opérations spéciales se feront dans les proportions et aux clauses et conditions qui seront négociées à ce moment.

SECTION 4. Conditions d'admission de pays extra-régionaux comme membres de la Banque

Un pays extra-régional deviendra membre de la Banque lorsque:

(a) Le Conseil des Directeurs exécutifs aura déterminé que toutes les conditions énoncées à la Section 1 des présentes Normes générales ont été remplies;

(b) Les présentes Normes générales seront entrées en vigueur conformément à la Section 10 desdites Normes; et

(c) Le Président aura déclaré que le pays a rempli toutes les conditions suivantes:

- (i) Son représentant dûment autorisé a signé l'original de l'Accord, tel qu'il a été modifié, déposé auprès du Secrétariat général de l'Organisation des Etats américains;
- (ii) Il a déposé auprès du Secrétariat général de l'Organisation des Etats américains un instrument dans lequel il déclare qu'il a accepté ou ratifié, conformément à sa législation, l'Accord ainsi que toutes les clauses et conditions prescrites dans les présentes Normes générales, et qu'il a pris les mesures nécessaires pour s'acquitter de toutes les obligations qui lui incombent en vertu de l'Accord et en vertu des présentes Normes générales; et
- (iii) Il a assuré la Banque qu'il a pris toutes les mesures nécessaires pour signer l'Accord et déposer l'instrument d'acceptation ou de ratification prévu aux paragraphes (i) et (ii) ci-dessus, et il aura fourni à la Banque tous renseignements concernant ces mesures que la Banque pourra avoir demandés.

SECTION 5. Autres pays extra-régionaux

Les pays extra-régionaux autres que ceux qui sont énumérés à la Section 1 des présentes Normes générales peuvent devenir membres de la Banque conformément aux conditions que l'Assemblée des Gouverneurs établira. Le nombre des actions à souscrire par ces autres pays extra-régionaux, pour ce qui est du capital interrégional versé effectivement et du capital interrégional sujet à l'appel, et leurs contributions au Fonds des Opérations spéciales, seront déterminés par l'Assemblée des Gouverneurs compte tenu des conditions des souscriptions et des contributions des pays extra-régionaux énumérés à la Section 1 des présentes Normes générales.

SECTION 6. Actions et quotes-parts de contribution non souscrites

Les actions du capital interrégional et les quotes-parts de contribution au Fonds des Opérations spéciales prévues à la Section 1 (c) des présentes Normes générales qui n'auront pas été souscrites par les pays extra-régionaux énumérés à la Section 1 desdites Normes ou par d'autres pays extra-régionaux comme prévu à la Section 5 des présentes Normes générales dans un délai de deux ans à compter de la date à laquelle lesdites Normes seront entrées en vigueur pourront alors être souscrites par les pays membres extra-régionaux qui seront membres à ce moment. Chacun de ces membres aura le droit de souscrire à une proportion des actions disponibles équivalente à la proportion existant entre ses actions déjà souscrites et le montant total du capital interrégional souscrit. De même, chacun de ces membres aura le droit de souscrire à une proportion des quotes-parts non souscrites au Fonds des Opérations spéciales équivalente à la proportion existant entre sa quote-part de contribution et le montant total des quotes-parts de contributions souscrites. A l'occasion de chaque souscription, on maintiendra la proportion entre le capital effectivement versé et le capital sujet à l'appel ainsi qu'entre la quote-part des contributions au Fonds des Opérations spéciales et les souscriptions au capital établie dans les présentes Normes générales. Le paiement des souscriptions au capital effectivement versé et des quotes-parts de contribution au Fonds des Opérations spéciales, ainsi que les souscriptions au capital sujet à l'appel ainsi souscrites, se feront dans un délai de trois ans à compter de la date à laquelle les présentes Normes générales seront entrées en vigueur.

SECTION 7. Quorum spécial et nombre de voix

(a) L'accord de la majorité des deux tiers du nombre total des Gouverneurs des membres extra-régionaux représentant au moins les trois quarts du total des voix des pays membres extra-régionaux sera requis pour l'approbation de:

- (i) Tout amendement à l'Accord constitutif de la Banque modifiant:
(1) le nombre de Gouverneurs qui seront nommés par les pays membres extra-régionaux; (2) le nombre de Directeurs exécutifs

qui seront élus par les Gouverneurs des pays membres extra-régionaux comme prévu à l'Article VIII, Section 3 (b) (ii), de l'Accord; (3) l'Article VII, Section 3 (d), (e) et (f) de l'Accord; ou (4) les dispositions concernant la répartition des bénéfices nets et de l'excédent des ressources interrégionales de capital figurant à l'Article VII, Section 4, de l'Accord; et

- (ii) Toute augmentation du capital interrégional autorisé, comme prévu à l'Article IIIA, Section 1 (c), de l'Accord.

(b) Aucune augmentation de la souscription d'un pays membre quelconque soit au capital ordinaire, soit au capital interrégional, ne pourra être appliquée, et il est renoncé par les présentes à tout droit de souscription à cet égard, si elle avait pour effet de réduire le nombre des voix (i) des pays membres en voie de développement de la région à moins de 53,5% du nombre total des voix des pays membres; (ii) du pays membre qui possède le plus grand nombre d'actions de la Banque à moins de 34,5% dudit nombre total des voix; ou (iii) du Canada à moins de 4% dudit nombre total des voix; il est entendu toutefois que, nonobstant les dispositions précédentes et les dispositions de l'Article VIII, Section 4 (b), de l'Accord constitutif de la Banque, toute résolution de l'Assemblée des Gouverneurs autorisant une augmentation du capital ordinaire ou du capital interrégional de la Banque spécifiera que (1) afin d'éviter que le nombre des voix des pays en développement membres de la région, en tant que groupe, ne tombe au-dessous du pourcentage fixé, tout membre du groupe peut souscrire aux actions allouées à un autre membre du groupe si ce dernier ne souhaite pas y souscrire; (2) les pays en voie de développement membres de la région, en tant que groupe, peuvent renoncer à la disposition concernant les pourcentages des voix en ce qui concerne l'alinéa (i), et les Etats-Unis et le Canada peuvent y renoncer en ce qui concerne les alinéas (ii) et (iii) respectivement; et (3) tout membre du groupe des membres extra-régionaux peut souscrire aux actions allouées à un autre membre du groupe si ce dernier ne souhaite pas y souscrire.

SECTION 8. Modification du Règlement pour l'élection des Directeurs exécutifs

Etant donné que les pays extra-régionaux auront le droit d'élire deux Directeurs exécutifs avec leurs propres voix, comme prévu à l'Article VIII, Section 3 (b) (ii), de l'Accord constitutif de la Banque, tel qu'il a été modifié par la résolution visée à la Section 1 (a) des présentes Normes générales, le Règlement pour l'élection des Directeurs exécutifs prévu dans ledit Article de l'Accord, est modifié de manière qu'il se lise comme énoncé à l'Annexe I aux présentes Normes générales. Ces amendements prendront effet à la même date que celle à laquelle les présentes Normes générales seront entrées en vigueur.

SECTION 9. Nombre de Directeurs exécutifs

L'accord de la majorité des deux tiers du nombre total des Gouverneurs des membres extra-régionaux sera requis pour l'approbation d'une augmentation du nombre des Directeurs exécutifs de la Banque au-delà d'un chiffre total de 13 Directeurs exécutifs.

SECTION 10. Entrée en vigueur

Les présentes Normes générales n'entreront en vigueur qu'après que le Conseil des Directeurs exécutifs aura déterminé que toutes les conditions énoncées à la Section 1 desdites Normes ont été remplies et qu'après que le Président aura déclaré qu'au moins huit pays extra-régionaux ont satisfait à toutes les conditions énoncées à la Section 4 (c) des présentes Normes générales.

(Approuvée le 1. juin 1976)

ANNEXE I

REGLEMENT POUR L'ELECTION DES DIRECTEURS EXECUTIFS

I ELECTION DES DIRECTEURS EXECUTIFS

1. Les Gouverneurs ayant droit de vote conformément à l'Article VIII, Section 3(b) (ii) de l'Accord constitutif de la Banque éliront dix Directeurs exécutifs.
2. Le Gouverneur pour le Canada élira un Directeur exécutif en émettant les votes de son pays.
3. Les Gouverneurs des pays en développement membres de la région éliront sept Directeurs exécutifs selon les conditions suivantes:
 - (a) La présente section sera appliquée exclusivement aux pays en développement membres de la région, et la totalité des votes de ces pays sera comptée comme 100 pour cent aux fins de ladite section.
 - (b) Chaque Gouverneur ayant droit de vote conformément à la présente section émettra en faveur d'une seule personne toutes les voix auxquelles le pays membre qu'il représente a droit aux termes de l'Article VIII, Section 4(a) de l'Accord constitutif de la Banque.
 - (c) On procédera d'abord à autant de tours de scrutin qu'il sera nécessaire, jusqu'à ce que cinq candidats aient été élus Directeurs exécutifs comme suit:
 - (i) Chaque candidat doit avoir obtenu un nombre de voix au moins égal à la somme des voix attribuées au pays disposant du plus grand nombre de voix et de celles du pays disposant du plus petit nombre de voix.
 - (ii) Un candidat doit avoir obtenu un nombre de voix égal au moins à la somme des voix attribuées au pays venant au troisième rang pour le nombre de voix et de celles des deux pays disposant du plus petit nombre de voix.
 - (iii) Un candidat doit avoir obtenu un nombre de voix égal au moins à la somme des voix du pays venant au quatrième rang pour le nombre de voix et de celles des deux pays disposant du plus petit nombre de voix.

- (iv) Un candidat doit avoir obtenu un nombre de voix au moins égal à la somme des voix attribuées au pays venant au cinquième rang pour le nombre de voix et de celles de trois pays disposant du plus petit nombre de voix.
- (d) Ensuite, les Gouverneurs qui n'ont pas voté en faveur de l'un quelconque des Directeurs élus conformément au paragraphe (c) éliront deux Directeurs exécutifs, étant entendu que seuls auront le droit de présenter des candidats et de voter, les pays qui individuellement ne disposent pas de plus de deux et demi pour cent (2 1/2%) de la totalité des votes. Seront réputés élus les deux candidats qui auront obtenu le plus grand nombre de voix, à condition que ces votes aient été émis par au moins trois pays, et on procédera à autant de tours de scrutin qu'il sera nécessaire pour arriver à ce résultat.
- (e) Le scrutin terminé, chacun des Gouverneurs qui n'aura pas émis de vote en faveur de l'un des Directeurs élus, devra consigner son vote en faveur de l'un de ceux-ci. Le nombre de voix attribuées, conformément à l'Article VIII, Section 4(a) de l'Accord constitutif de la Banque, à chacun des Gouverneurs ayant voté ou consigné ses votes en faveur de l'un des candidats élus conformément au présent Règlement sera réputé avoir contribué, pour les effets de l'Article VIII, Section 4(d)(ii) de l'Accord constitutif de la Banque, à l'élection de ce candidat.
4. Les Gouverneurs des pays membres extra-régionaux éliront deux Directeurs exécutifs selon les conditions suivantes:
- (a) Cette section s'appliquera strictement aux pays membres extra-régionaux, et la totalité des votes de ces pays sera comptée comme 100 pour cent aux fins de ladite section.
- (b) Chaque Gouverneur ayant droit de vote conformément à la présente section émettra en faveur d'une seule personne toutes les voix auxquelles le pays membre qu'il représente a droit aux termes de l'Article VIII, Section 4 (a) de l'Accord constitutif de la Banque.
- (c) Les deux candidats ayant reçu le plus grand nombre de voix seront Directeurs exécutifs, étant entendu que nul ne sera réputé élu s'il n'a pas reçu les suffrages d'au moins trois Gouverneurs de membres extra-régionaux représentant au moins 40 pour cent du nombre total des voix pouvant être exprimées, mais étant entendu en outre qu'il ne devra pas avoir reçu plus de 60 pour cent dudit nombre total de voix. On procédera à autant de tours de scrutin qu'il sera nécessaire jusqu'à ce que deux candidats aient été élus.

(d) Le scrutin terminé, chacun des Gouverneurs qui n'aura pas émis de vote en faveur de l'un ou l'autre des candidats devra consigner son vote en faveur de l'un d'eux. Le nombre des voix attribuées, conformément à l'Article VIII, Section 4(a) de l'Accord constitutif de la Banque, à chacun des Gouverneurs ayant voté ou consigné ses votes en faveur de l'un des candidats élus conformément au présent Règlement sera réputé avoir contribué, pour les effets de l'Article VIII, Section 4(d)(ii) à l'élection de ce candidat.

II. NORMES DE PROCEDURE DE L'ELECTION

5. Notification de l'élection

Quatre-vingt-dix jours au moins avant la session annuelle de l'Assemblée des Gouverneurs où une élection générale des Directeurs exécutifs doit avoir lieu, le Secrétaire en avise les Gouverneurs et les invite à présenter des candidats.

6. Supervision de l'élection

Le Président de l'Assemblée supervisera l'élection et nommera deux Gouverneurs comme scrutateurs chargés de contrôler l'émission des votes et de les compter. Il adoptera aussi toute autre mesure qu'il jugera nécessaire pour que l'élection ait lieu dans les formes voulues.

7. Désignation de candidats

(a) L'élection aura lieu seulement entre les candidats qui auront été désignés conformément aux dispositions des présentes normes de procédure.

(b) Les Directeurs exécutifs devront être des personnes d'une compétence reconnue et d'une large expérience des questions économiques et financières. Ils ne pourront pas occuper en même temps le poste de Gouverneur (Article VIII, Section 3(b)(i) de l'Accord constitutif de la Banque).

(c) Chaque Gouverneur pourra désigner seulement un candidat.

(d) Les désignations de candidats seront soumises au Secrétaire.

(e) Chaque désignation de candidat sera faite par écrit et sera signée par le Gouverneur qui la dépose.

(f) Le Secrétaire remettra aux Gouverneurs la liste des candidats désignés.

- (g) Le délai de présentation des candidats échoit à 10 heures le premier jour de la session annuelle de l'Assemblée où doit avoir lieu l'élection.

8. Election

(a) L'élection s'effectue en quatre étapes. Dans la première étape est élu le Directeur exécutif visé à la Section 2 du présent Règlement. Dans la deuxième étape sont élus les cinq Directeurs exécutifs visés à la Section 3 (c) ci-dessus, dans la troisième sont élus les deux Directeurs exécutifs mentionnés à la Section 3(d) ci-dessus, et dans la quatrième les deux Directeurs exécutifs mentionnés à la Section 4.

(b) Chaque Gouverneur ne participe qu'à une seule étape.

(c) A l'ouverture de chacune des étapes susmentionnées, le Secrétaire annoncera les noms des candidats inscrits et ceux des pays habilités à participer au scrutin considéré.

9. Votation

Chaque vote sera effectué comme suit:

(a) Les votes seront émis dans des formules qui, avant chaque tour de scrutin seront remises par le Secrétaire à chaque Gouverneur ayant droit de vote. Dans chaque tour de scrutin, il sera tenu compte seulement des votes émis dans les formules distribuées pour ledit tour de scrutin.

(b) Après que le nom de chaque pays aura été prononcé par le Secrétaire, le Gouverneur pour ledit pays déposera son bulletin signé dans l'urne.

(c) Le vote terminé, les scrutateurs vérifieront le nombre de votes et commenceront à dépouiller les votes.

(d) Si les scrutateurs pensent qu'il faudrait clarifier un vote particulier ou que ledit vote n'a pas été émis dans les formes voulues, ils pourront autoriser, quand cela sera possible, le Gouverneur intéressé à le corriger avant que le dépouillement du scrutin soit achevé. Le vote corrigé sera considéré comme valable.

(e) Dans toutes les élections prévues par la Section 3(c), la Section 3(d), et la Section 4 de ce Règlement, il sera procédé à autant de tours de scrutin qu'il sera nécessaire jusqu'à ce que tous les Directeurs exécutifs qui doivent être élus durant l'élection considérée le soient au cours d'un seul tour de scrutin.

(f) Le Président de l'Assemblée déclarera que l'élection est ou n'est pas terminée. Si l'élection est terminée, il donnera la liste des Directeurs élus et celle des pays membres qui les ont élus.

10. Elimination de candidats

Dans n'importe quel tour de scrutin, le ou les Gouverneurs qui auront présenté un candidat pourront aviser le Secrétaire que ce candidat ne participera pas à l'élection en question. Dans ce cas, ce candidat ne sera pas inclus dans la liste des candidats participant à ce tour de scrutin.

11. Règlement de différends

Les différends qui surgiront à l'occasion de la procédure suivie au cours de l'élection seront tranchés par les scrutateurs. Tout Gouverneur pourra faire appel des décisions des scrutateurs, d'abord devant le Président de l'Assemblée et ensuite devant l'Assemblée. Toutes les fois où cela sera possible, les différends seront tranchés sans indiquer le nom du pays membre ou du Gouverneur intéressé.

III. VACANCE AU SEIN DU CONSEIL DES DIRECTEURS EXECUTIFS

12. Les Directeurs exécutifs garderont leur poste jusqu'à la nomination ou l'élection de leurs successeurs. Si le poste d'un Directeur exécutif élu devient vacant plus de 180 jours avant l'expiration du mandat de celui-ci, un nouveau Directeur exécutif sera élu, pour le reste du mandat, par les Gouverneurs qui avaient élu le précédent Directeur exécutif (Article VIII, Section 3(d) de l'Accord constitutif de la Banque).

13. Quand un nouveau Directeur exécutif doit être élu du fait d'une vacance qui doit être comblée par voie d'élection, le Président de la Banque notifiera immédiatement les pays membres qui avaient élu le Directeur exécutif précédent et qui doivent combler la vacance. Il les invitera à proposer des candidats.

14. Le Président de la Banque pourra convoquer une réunion des Gouverneurs de ces pays dans le seul dessein d'élire le nouveau Directeur ou pourra décider que le vote aura lieu par tout moyen rapide de communication écrite. L'on procédera à autant de tours de scrutin nécessaires jusqu'à ce que l'un des candidats réunisse la majorité absolue des voix exprimées.

IV. MODIFICATION DU REGLEMENT

15. L'Assemblée des Gouverneurs pourra modifier ce Règlement à l'une quelconque de ses séances, ou par vote sans convoquer une réunion, à la majorité des trois quarts de la totalité des voix des pays membres, comprenant:
- (a) En ce qui concerne les amendements aux Sections 1,2,3,5 à 14, et 15(a), la majorité des deux tiers des Gouverneurs des membres régionaux; et
 - (b) En ce qui concerne les amendements aux Sections 4 et 15(b), la majorité des deux tiers des Gouverneurs des membres extra-régionaux.

BANCO INTERAMERICANO DE DESENVOLVIMENTO

RESOLUÇÃO AG-10/76

NORMAS GERAIS SOBRE ADMISSÃO DE PAÍSES
EXTRA-REGIONAIS COMO MEMBROS DO BANCO

A Assembléia de Governadores,

CONSIDERANDO que o Artigo II, Seção 1 (b), do Convênio Constitutivo do Banco, dispõe que países extra-regionais, membros do Fundo Monetário Internacional, e a Suíça, podem ser admitidos como membros do Banco, de acordo com as normas gerais que a Assembléia de Governadores houver estabelecido;

CONSIDERANDO que certos países extra-regionais exprimiram seu interesse em ser membros do Banco; e

CONSIDERANDO que a Assembléia de Governadores concluiu que seria conveniente admitir tais países extra-regionais como membros do Banco e que a admissão desses países deve efetivar-se mediante (i) a modificação do Convênio Constitutivo do Banco estabelecendo, entre outros assuntos, a criação de uma nova categoria de capital que se denominará capital inter-regional do Banco; (ii) a adoção de normas gerais sobre a admissão de países membros extra-regionais, contendo disposições sobre o aumento dos recursos do Fundo para Operações Especiais; e (iii) um aumento do capital ordinário autorizado do Banco,

RESOLVE:

Aprovar as seguintes Normas Gerais sobre Admissão de Países Extra-Regionais como Membros do Banco:

NORMAS GERAIS SOBRE ADMISSÃO DE PAÍSES
EXTRA-REGIONAIS COMO MEMBROS DO BANCOSEÇÃO 1. Condições para a admissão de membros extra-regionais

Os países extra-regionais que sejam membros do Fundo Monetário Internacional, e a Suíça, poderão tornar-se membros do Banco desde que, na data que a Diretoria Executiva determinar dentro do ano civil de 1976, as seguintes condições tenham sido cumpridas:

(a) as modificações ao Convênio Constitutivo do Banco estipuladas na resolução denominada "Modificações do Convênio Constitutivo do Banco relativas à criação do Capital Inter-Regional do Banco e matérias correlatas" tenham entrado em vigor;

(b) o aumento do capital ordinário autorizado estipulado na resolução denominada "Aumento do Capital Ordinário Autorizado Exigível e as correspondentes subscrições relativas à admissão dos países membros extra-regionais" tenha sido efetivado;

(c) que, pelo menos, oito países membros extra-regionais, que incluam, no mínimo, quatro países cujas contribuições ao Fundo para Operações Especiais sejam, pelo menos, de US\$60.000.000, por cada país, mediante o depósito no Banco dos instrumentos apropriados, tenham acordado:

- (i) subscrever pelo menos 31.100 ações do capital inter-regional, de acordo com a Seção 2.
- (ii) contribuir com pelo menos o equivalente a US\$375.000.000 ^{1/} aos recursos do Fundo para Operações Especiais, de acordo com a Seção 3.

Se a Diretoria Executiva considerar conveniente, poderá reduzir, após 19 de março de 1976, o total das subscrições de ações e o total das contribuições ao Fundo para Operações Especiais especificados nos incisos (i) e (ii) acima.

As subscrições do capital inter-regional e as contribuições ao Fundo para Operações Especiais pelos países membros extra-regionais serão, pelo menos, nas quantias seguintes:

1/ Dólares dos Estados Unidos da América do peso e título em vigor de acordo com a alteração de 18 de outubro de 1973 do valor par do dólar dos Estados Unidos da América.

País	Subscrições de Capital Inter-Nacional Realizado		Subscrições de Capital Inter-Nacional Exigível		Total das Subscrições do Capital Inter-Nacional	
	Ações	Quantias Expressas em dólares dos E.U.A. de 1959	Ações	Quantias Expressas em dólares correntes dos E.U.A. da 1959	Ações	Quantias Expressas em dólares correntes dos E.U.A. de 1959
Alemanha	863	8.620.000	10.410.742	4.367	43.670.000	52.681.009
Austrália	69	650.000	632.377	350	3.500.000	4.232.201
Bélgica	171	1.710.000	2.062.847	865	8.650.000	10.434.869
Dinamarca	74	740.000	892.694	373	3.730.000	4.499.660
Espanha	842	8.420.000	10.157.410	4.264	42.660.000	51.438.476
Holanda	128	1.280.000	1.544.120	648	6.480.000	7.817.104
Israel	68	680.000	820.313	346	3.460.000	4.173.948
Itália	842	8.420.000	10.157.410	4.264	42.660.000	51.438.476
Jugoslávia	69	690.000	832.377	350	3.500.000	4.232.201
Japan	940	9.400.000	11.319.627	4.757	47.570.000	51.385.748
Portugal	68	680.000	820.313	346	3.460.000	4.173.948
Reino Unido	842	8.420.000	10.157.410	4.264	42.660.000	51.438.476
Suíça	183	1.880.360	2.267.925	952	9.532.000	11.484.368
Subtotal	5.162	51.660.400	62.295.565	26.166	261.460.900	315.410.504
Suma específica 1.836		18.360.000	23.148.462	8.854	68.560.000	80.869.630
Total	7.000	70.000.000	86.444.027	35.000	350.000.000	422.230.134

1/ Dólares dos Estados Unidos da América do peso e títulos em vigor em 19 de janeiro de 1959.
 2/ Dólares dos Estados Unidos da América do peso e títulos em vigor de acordo com a taxa de câmbio de Paridade com o dólar dos Estados Unidos a 18 de outubro de 1973.

SEÇÃO 2. Subscrições do Capital Inter-Regional

(a) Os países extra-regionais relacionados na Seção 1 poderão subscrever ações do capital inter-regional.

(b) Cada subscrição incluirá, pelo menos, o montante total das ações de capital inter-regional realizado e das ações de capital inter-regional exigível designadas ao respectivo país na Seção 1, e cada país subscritor comunicará ao Banco que tomou todas as medidas necessárias para autorizar sua subscrição e deverá proporcionar ao Banco a informação que este possa solicitar a respeito.

(c) A subscrição de cada país do capital inter-regional realizado será nos seguintes termos e condições:

- (i) O valor de subscrição de cada ação será US\$10.000 em termos do dólar dos Estados Unidos da América do peso e título em vigor em 1º de janeiro de 1959.
- (ii) O pagamento da quantia de capital inter-regional realizado subscrito por cada país será feito em três quotas iguais, salvo se a Diretoria Executiva, tomando em consideração circunstâncias especiais com relação a determinados países, concordar (i) que a importância da primeira quota a ser paga pelo respectivo país possa ser reduzida a não menos de 20% do montante do capital realizado destinado ao país, devendo, consequentemente, as duas quotas restantes ser reajustadas; ou (ii) que o respectivo país possa efetuar o pagamento em cinco quotas anuais e iguais. A primeira quota será paga por cada país dentro de trinta dias depois da entrada em vigor destas Normas Gerais ou, no mais tardar, até a data do depósito do instrumento de aceitação ou de ratificação, de acordo com a Seção 4 (c)(ii), conforme a que ocorrer por último. Se um país preferir pagar a primeira quota em dinheiro, poderá fazê-lo o mais tardar no fim do ano civil em que entrarem em vigor estas Normas Gerais, ou do ano civil durante o qual o país membro depositar o respectivo instrumento de ratificação, caso o depósito se verifique posteriormente. As duas quotas anuais restantes serão devidas em intervalos de um ano, a partir da data em que for devida a primeira quota.
- (iii) Cada quota será paga integralmente na moeda do país contribuinte, o qual adotará as medidas satisfatórias ao Banco que assegurem que sua moeda possa ser livremente conversível nas moedas dos outros países para os fins das operações do Banco.
- (iv) 50% de cada quota estarão sujeitos às disposições do Artigo V, Seção 1 (b)(i), do Convênio Constitutivo do Banco, e serão pagos em dinheiro. Relativamente aos restantes

50% de cada quota, a menos que um país prefira efetuar o pagamento em dinheiro, a Diretoria Executiva estabelecerá uma tabela de acordo com a qual notas promissórias ou valores semelhantes não negociáveis e isentos de juros, aceitos de acordo com o Artigo V, Seção 4, do Convênio Constitutivo, serão pagos ao Banco.

(d) A subscrição de cada país do capital inter-regional exigível será nos seguintes termos e condições:

- (i) O valor de subscrição de cada ação será US\$10.000 em termos do dólar dos Estados Unidos da América do peso e título em vigor em 19 de janeiro de 1959.
- (ii) A subscrição de cada país do capital inter-regional exigível será em três quotas iguais, as quais serão subscritas, respectivamente, o mais tardar nas datas correspondentes ao pagamento de cada uma das três primeiras quotas da subscrição do país do capital inter-regional realizado, de acordo com a Seção 2 (c)(ii).

(e) Os recursos de capital inter-regional serão utilizados para efetuar empréstimos, de forma tal que fique assegurada uma razoável distribuição destes e de suas subsequentes obrigações à conta dos recursos ordinários e dos recursos inter-regionais de capital.

(f) No momento em que o Banco houver satisfeito seus compromissos resultantes de todos os empréstimos debitáveis ao capital ordinário, que estavam pendentes de amortização a 31 de dezembro de 1974, serão tomadas as providências para proceder à fusão do capital inter-regional e do capital ordinário.

SEÇÃO 3. Aumento dos recursos do Fundo para Operações Especiais e as correspondentes contribuições

(a) Consoante as disposições destas Normas Gerais, os recursos do Fundo para Operações Especiais serão aumentados em montante equivalente a US\$506.664.161, mediante contribuições dos países membros extra-regionais, no entendimento de que os países membros regionais ao aprovar estas Normas Gerais manifestam que não pretendem exercer seu direito de contribuir com a participação proporcional a tal aumento, de acordo com o Artigo IV, Seção 3 (g), do Convênio Constitutivo do Banco.

(b) Este aumento entrará em vigor e as contribuições serão devidas somente após estas Normas Gerais entrarem em vigor, de acordo com a Seção 10.

(c) Os países extra-regionais deverão contribuir ao Fundo para Operações Especiais em importâncias equivalentes às suas subscrições do capital inter-regional, de acordo com a Seção 1 (c).

(d) Cada país membro fará sua contribuição integralmente em sua própria moeda e adotará as medidas satisfatórias ao Banco para assegurar que sua moeda possa ser livremente conversível nas moedas dos outros países para os fins das operações do Banco.

(e) O montante total de cada contribuição constituirá moeda nacional para efeito de aplicação das disposições do Artigo V, Seção 1 (c), do Convênio Constitutivo do Banco. Caso um país prefira não efetuar o pagamento de sua contribuição, no todo ou em parte, à vista, o Banco, nos termos do Artigo V, Seção 4, do seu Convênio Constitutivo, aceitará notas promissórias ou valores semelhantes, não negociáveis e isentos de juros, para os quais a Diretoria Executiva estabelecerá um cronograma de vencimentos.

(f) As contribuições serão efetuadas em três quotas iguais, salvo se a Diretoria Executiva, tomado em consideração circunstâncias especiais com relação a determinados países, concordar (i) que a importância da primeira quota a ser paga pelo respectivo país possa ser reduzida a não menos de 20% do montante da contribuição total destinada ao país, devendo, consequentemente, as duas quotas restantes ser reajustadas; ou (ii) que o respectivo país possa efetuar o pagamento em cinco quotas anuais iguais. As quotas serão pagas nas mesmas datas dos pagamentos, pelo país, das suas quotas do capital extra-regional realizado, de acordo com a Seção 2.

(g) Cada pagamento de um país membro será feito em uma quantia tal que, a juízo do Banco, seja equivalente ao valor integral em termos do dólar dos Estados Unidos da América do peso e título em vigor de acordo com a alteração de 18 de outubro de 1973 do valor par do dólar dos Estados Unidos da América.

(h) As moedas de todos os países membros em poder do Banco, provenientes dessas contribuições, estarão sujeitas às cláusulas de manutenção de valor da Seção 3 do Artigo V, do Convênio Constitutivo do Banco, mas o padrão de valor estabelecido para tal propósito será o valor paritário do dólar dos Estados Unidos da América em vigor de acordo com a modificação na paridade do dólar dos Estados Unidos da América, de 18 de outubro de 1973, sob a condição, entretanto, de que o Banco poderá renunciar ao referido reajuste no caso de modificações cambiais de moedas que abarquem um número significativo de países membros do Banco.

(i) Sem prejuízo das disposições do Artigo IV, Seção 3 (g), do Convênio Constitutivo do Banco, e resguardada a forma estabelecida para aumentar os recursos do Fundo para Operações Especiais, quaisquer aumentos futuros dos recursos do referido Fundo serão nas proporções e sob os termos e condições que forem negociados a esse tempo.

SEÇÃO 4. Requisitos para a admissão de países extra-regionais como membros do Banco

Um país extra-regional tornar-se-á membro do Banco quando:

(a) a Diretoria Executiva decidir que todas as condições da Seção 1 foram cumpridas;

(b) estas Normas Gerais tiverem entrado em vigor de acordo com a Seção 10; e

(c) o Presidente tiver declarado que o país cumpriu todos os seguintes requisitos:

- (i) que seu representante devidamente autorizado tenha assinado o original do Convênio, tal como foi modificado, o qual está depositado na Secretaria Geral da Organização dos Estados Americanos;
- (ii) que tenha depositado na Secretaria Geral da Organização dos Estados Americanos um instrumento que declare que aceitou ou ratificou, de acordo com sua própria legislação, o Convênio e todos os termos e condições prescritos nestas Normas Gerais, e tomou as medidas necessárias para cumprir todas as obrigações que lhe impõem o Convênio e estas Normas Gerais; e
- (iii) que comunicou ao Banco que tomou todas as medidas necessárias para assinar o Convênio e depositar o instrumento de aceitação ou ratificação, de conformidade com os parágrafos (i) e (ii) supra, e proporcionou ao Banco a informação que este lhe solicitou a respeito dessas providências.

SEÇÃO 5. Países extra-regionais adicionais

Outros países extra-regionais que não constam da Seção 1 poderão ser admitidos como membros do Banco de acordo com os termos que a Assembleia de Governadores estabelecer. As subscrições de outros países extra-regionais e suas respectivas contribuições ao Fundo para Operações Especiais serão de um número de ações de capital realizado e de capital exigível do capital inter-regional e em contribuições para o Fundo para Operações Especiais que a Assembleia de Governadores determinar, tomando na devida consideração as condições das subscrições e contribuições dos países extra-regionais que constam da Seção 1.

SEÇÃO 6. Ações e quotas de contribuição não subscritas

As ações do capital inter-regional e as quotas de contribuição para o Fundo para Operações Especiais previstas na Seção 1 (c) destas Normas Gerais que não tiverem sido subscritas, dentro de dois anos da data em que estas Normas Gerais tiverem entrado em vigor, pelos países extra-regionais que constam da Seção 1 ou por outros países extra-regionais, de acordo com a Seção 5, poderão ser subscritas pelos países membros extra-regionais que sejam membros a esse tempo. Cada um desses membros terá direito a subscrever uma quota de ações disponíveis equivalente à proporção que suas ações até então subscritas mantenham com o total do capital inter-regional subscrito. Igualmente, esses membros terão direito a subscrever uma quota das contribuições não subscritas do Fundo para Operações Especiais equivalente à proporção que sua quota guarde com o total das quotas de contribuição subscritas. Em

cada subscrição será mantida a proporção entre o capital realizado e o capital exigível, assim como a proporção entre as contribuições ao Fundo para Operações Especiais e as subscrições de capital, como estabelecido nestas Normas Gerais. O pagamento das subscrições do capital realizado e das quotas de contribuição ao Fundo para Operações Especiais, assim como as subscrições do capital exigível, deverão ser efetuados dentro de três anos da data em que estas Normas Gerais entrarem em vigor.

SEÇÃO 7. Quorum especial e total de votos

(a) Será exigido o acordo de uma maioria de dois terços do total dos Governadores dos membros extra-regionais que representem, pelo menos, três quartos do total dos votos dos países membros extra-regionais, para a aprovação de:

- (i) qualquer emenda ao Convênio Constitutivo do Banco que altere: (1) o número de Governadores que serão designados pelos países membros extra-regionais; (2) o número de Diretores Executivos que serão eleitos pelos Governadores dos países membros extra-regionais, como estabelecido no Artigo VIII, Seção 3 (b) (ii), do Convênio; (3) os incisos (d), (e) e (f) da Seção 3 do Artigo VII do Convênio; ou (4) as disposições relativas à distribuição da renda líquida e dos lucros acumulados dos recursos do capital inter-regional, como estabelecido na Seção 4 do Artigo VII do Convênio; e
- (ii) qualquer aumento do capital inter-regional autorizado, como estabelecido no Artigo IIA, Seção 1 (d), do Convênio.

(b) Não entrará em vigor aumento correspondente a subscrição de ações de capital ordinário ou do capital inter-regional por qualquer país membro e suspender-se-á qualquer direito de subscrever ações quando tiverem por consequência a redução dos votos (i) dos países membros regionais em vias de desenvolvimento a menos de 53,5 por cento do total dos votos dos países membros; (ii) do país membro que detenha o maior número de ações a menos de 34,5 por cento do referido total de votos; ou (iii) do Canadá a menos de 4 por cento do mesmo total de votos, desde que, não obstante as disposições precedentes e as do Artigo VIII, Seção 4 (b), do Convênio Constitutivo do Banco, qualquer resolução da Assembleia de Governadores referente a aumento do capital ordinário ou do capital inter-regional do Banco especifique (1) que, para evitar que o total de votos dos países regionais em vias de desenvolvimento, em seu conjunto, se torne inferior à percentagem determinada, qualquer país membro desse grupo poderá subscrever as ações destinadas a outro país membro do grupo, caso este último não deseje subscrevê-las; (2) que o dispositivo referente às proporções do total de votos poderá ser dispensado pelos países membros regionais em vias de desenvolvimento, em seu conjunto, com relação ao inciso (i), e pelos Estados Unidos e pelo Canadá, com relação aos incisos (ii) e (iii), respectivamente; e (3) que qualquer país membro do grupo de países extra-regionais poderá subscrever ações destinadas a outro país membro desse grupo, caso o último não deseje subscrevê-las.

SEÇÃO 8. Modificação do Regulamento para a Eleição de Diretores Executivos

Desde que países extra-regionais terão o direito de eleger dois Diretores Executivos com seus próprios votos como estabelecido no Artigo VIII, Seção 3 (b)(ii), do Convênio Constitutivo do Banco, modificado pela resolução referida na Seção 1 (a), destas Normas Gerais, o Regulamento para a Eleição de Diretores Executivos, prescrito no dito artigo do Convênio, é modificado para dispor conforme se estabelece no Anexo I destas Normas Gerais. Estas modificações entrarão em vigor na mesma data em que estas Normas Gerais entrarem em vigor.

SEÇÃO 9. Número de Diretores Executivos

Será exigido o acordo de uma maioria de dois terços do número total dos Governadores dos membros extra-regionais para a aprovação de um aumento do número de Diretores Executivos do Banco além do total de treze Diretores Executivos.

SEÇÃO 10. Vigência

Estas Normas Gerais entrarão em vigor somente depois que a Diretoria Executiva tiver declarado que todas as condições da Seção 1 foram cumpridas e depois que o Presidente tiver declarado que pelo menos oito países extra-regionais satisfizeram todos os requisitos da Seção 4 (c).

(Aprovada em 1º de junho de 1976)

ANEXO I

REGULAMENTO PARA A ELEIÇÃO DE DIRETORES EXECUTIVOS

I. ELEIÇÃO DE DIRETORES EXECUTIVOS

1. Os Governadores com poder de voto elegerão, de acordo com o Artigo VIII, Seção 3 (b) (ii), do Convênio Constitutivo do Banco, dez Diretores Executivos.
2. O Governador pelo Canadá elegerá um Diretor Executivo com os votos de seu país.
3. Os Governadores pelos países membros regionais em vias de desenvolvimento elegerão sete Diretores Executivos de acordo com as seguintes disposições:
 - (a) Esta Seção se aplicará, exclusivamente, aos países membros regionais em vias de desenvolvimento, a cujo total de votos será atribuída a proporção de 100%, para esta finalidade.
 - (b) Cada Governador qualificado para votar nos termos do estabelecido nesta Seção emitirá, em favor de uma só pessoa, todos os votos a que o país membro por ele representado tenha direito, de acordo com o Artigo VIII, Seção 4 (a), do Convênio Constitutivo do Banco.
 - (c) Em primeiro lugar, serão efetuadas tantas votações quantas sejam necessárias, até que cinco pessoas tenham sido eleitas Diretores Executivos, do seguinte modo:
 - (i) Dois candidatos tenham recebido, individualmente, um número de votos que não seja inferior à soma dos votos que correspondam ao país com o maior número de votos e ao país com o menor número de votos.
 - (ii) Um candidato tenha recebido um número de votos que não seja inferior à soma dos votos que correspondam ao país com o terceiro maior número de votos e aos dois países com o menor número de votos.
 - (iii) Um candidato tenha recebido um número de votos que não seja inferior à soma dos votos que correspondam ao país com o quarto maior número de votos e aos dois países com o menor número de votos.

- (iv) Um candidato tenha recebido um número de votos que não seja inferior à soma dos votos que correspondam ao país com o quinto maior número de votos e aos três países com o menor número de votos.
- (d) Em segundo lugar, os Governadores que não tenham emitido seu voto em favor de algum dos Diretores eleitos de conformidade com o parágrafo (c), elegerão dois Diretores Executivos, com o entendimento de que somente terão direito a apresentar candidatos e a votar os países que individualmente não contarem com mais de dois e meio por cento (2,5%) da totalidade dos votos. Serão considerados eleitos os dois candidatos que receberem o maior número de votos, sempre que em cada caso estes tenham sido emitidos por três ou mais países, e serão efetuadas tantas votações quantas sejam necessárias para alcançar este resultado.
- (e) Terminada a votação, cada um dos Governadores que não votou em qualquer dos candidatos eleitos deverá dar seu voto em favor de um deles. Consoante o Artigo VIII, Seção 4 (a), do Convênio Constitutivo do Banco, o número de votos que caiba a cada Governador que tenha votado ou dado seu voto em favor de algum candidato eleito conforme este Regulamento será considerado, para os fins do Artigo VIII, Seção 4 (d) (ii), do Convênio, como havendo contribuído para a eleição desse candidato.
4. Os Governadores pelos países membros extra-regionais elegerão dois Diretores Executivos de acordo com as seguintes disposições:
- (a) Esta Seção se aplicará, exclusivamente, aos países membros extra-regionais, a cujo total de votos será atribuída a proporção de 100%, para esta finalidade.
- (b) Cada um dos Governadores qualificados para votar nos termos desta Seção emitirá, em favor de uma só pessoa, todos os votos a que o país membro por ele representado tenha direito, de acordo com o Artigo VIII, Seção 4 (a), do Convênio Constitutivo do Banco.
- (c) Os dois candidatos que tenham recebido o maior número de votos serão eleitos Diretores Executivos; entretanto, nenhuma pessoa será considerada eleita a menos que tenha recebido os votos de três ou mais Governadores de países membros extra-regionais, que constituam, pelo menos, 40 por cento da totalidade dos votos desses países e sempre que, além disso, não tenha recebido mais do que 60 por cento desse total de votos. Serão efetuadas tantas votações quantas sejam necessárias até que dois candidatos sejam eleitos.

- (d) Terminada a votação, cada um dos Governadores que não votou em qualquer dos candidatos eleitos deverá dar seu voto em favor de um deles. Consoante o Artigo VIII, Seção 4 (a), do Convênio Constitutivo do Banco, o número de votos que caiba a cada Governador que tenha votado ou dado seu voto em favor de um candidato eleito será considerado, nos termos deste Regulamento, para os fins do Artigo VIII, Seção 4 (d) (ii), como havendo contribuído para a eleição desse candidato.

II. NORMAS DE PROCEDIMENTO PARA A ELEIÇÃO

5. Notificação da eleição

Pelo menos noventa dias antes da Reunião Anual da Assembléia de Governadores em que se deva realizar uma eleição geral de Diretores Executivos, o Secretário notificará os Governadores a respeito dessa eleição e os convidará a apresentar candidatos.

6. Direção da eleição

O Presidente da Assembléia dirigirá a eleição, nomeará dois Governadores como escrutinadores encarregados do exame e cômputo dos votos, e adotará também qualquer outra providência que considere oportuna para a perfeita realização da eleição.

7. Designação de candidatos

- (a) A eleição será efetuada entre os candidatos designados de acordo com estas normas de procedimento.
- (b) Os Diretores Executivos deverão ser pessoas de reconhecida capacidade e de ampla experiência em assuntos econômicos e financeiros, e não poderão ser Governadores (Artigo VIII, Seção 3 (b)(i), do Convênio Constitutivo do Banco).
- (c) Cada Governador poderá designar somente um candidato.
- (d) As designações de candidatos deverão ser entregues ao Secretário.
- (e) A designação de cada candidato deverá ser feita por escrito e assinada pelo Governador que a apresenta.
- (f) O Secretário distribuirá aos Governadores a lista de candidatos designados.
- (g) O prazo para a apresentação de candidatos vencerá às 10h00 do primeiro dia da respectiva Reunião Anual da Assembléia de Governadores em que se deva realizar a eleição.

8. Eleição

- (a) A eleição será realizada mediante quatro processos em separado. No primeiro, eleger-se-á o Diretor Executivo a que se refere a Seção 2 deste Regulamento. No segundo, eleger-se-ão os cinco Diretores Executivos a que se refere a Seção 3 (c) do Regulamento. No terceiro, eleger-se-ão os dois Diretores Executivos mencionados na Seção 3 (d) do mesmo, e no quarto, eleger-se-ão os dois Diretores Executivos mencionados na Seção 4.
- (b) A participação de cada Governador está limitada a um só processo.
- (c) Ao início de cada um dos processos supra-mentionados, o Secretário anunciará os nomes dos candidatos inscritos e dos países com direito a participar na votação.

9. Votação

A votação será feita da seguinte forma:

- (a) Os votos serão emitidos em formulários que, antes de se proceder à votação, o Secretário entregará a cada Governador com direito a voto. Somente serão considerados os votos apresentados nos formulários distribuídos para cada votação.
- (b) Depois de o Secretário anunciar o nome de cada país, o respectivo Governador depositará na urna seu voto, assinado.
- (c) Terminada a votação, os escrutinadores verificarão o número de votos e procederão à apuração.
- (d) Se os escrutinadores decidirem que um determinado voto necessita de esclarecimento ou que não foi devidamente emitido, poderão permitir, quando possível, que o respectivo Governador o corrija antes de terminar o escrutínio, e o voto corrigido será considerado válido.
- (e) Realizar-se-ão tantas votações quantas forem necessárias até que, numa só votação, hajam sido eleitos todos os Diretores Executivos pertinentes em cada uma das eleições previstas nas Seções 3 (c), 3 (d) e 4 deste Regulamento.
- (f) O Presidente da Assembleia avisará se uma eleição terminou ou não e, se terminada, anunciará os nomes dos Diretores eleitos e os países membros que os elegeram.

10. Eliminação de candidatos

- Em qualquer das votações, o Governador ou os Governadores que hajam apresentado candidato poderão informar ao Secretário que este não participará das subsequentes votações, caso em que o seu nome será retirado da relação de candidatos.

11. Solução de divergências

As dúvidas suscitadas quanto ao procedimento da eleição serão resolvidas pelos escrutinadores, podendo dessa decisão um Governador apelar, primeiro, para o Presidente da Assembléia, e, em seguida, para a Assembléia. Sempre que possível, as divergências serão apresentadas sem identificar o país membro nem o respectivo Governador.

III. VAGA NA DIRETORIA EXECUTIVA

12. Os Diretores Executivos conservarão seu cargo até que sejam nomeados ou eleitos seus sucessores. Quando vagar o cargo de um Diretor eleito, mais de 180 dias antes do término do seu mandato, os Governadores que o elegeram deverão eleger outro Diretor para o resto do período (Artigo VIII, Seção 3 (d), do Convênio Constitutivo do Banco).
13. Quando ocorrer na Diretoria uma vaga que requeira eleição, o Presidente do Banco notificará imediatamente nesse sentido os países membros que elegeram o Diretor cuja vaga se deve preencher e solicitará a indicação de candidatos.
14. O Presidente do Banco poderá convocar reunião de Governadores de tais países com a finalidade exclusiva de eleger o novo Diretor ou poderá conduzir a votação por qualquer meio rápido de comunicação. Haverá votações sucessivas até que um dos candidatos obtenha a maioria absoluta dos votos emitidos.

IV. MODIFICAÇÃO DO REGULAMENTO

15. A Assembléia de Governadores poderá modificar este Regulamento em qualquer de suas reuniões, ou por votação sem convocatória de reunião, pela maioria de três quartos do poder total de voto dos países membros, que inclua:

- (a) Com relação a modificações das Seções 1, 2, 3, 5 a 14 e 15 (a): uma maioria de dois terços dos Governadores dos países membros regionais; e
- (b) Com relação a modificações das Seções 4 e 15 (b): uma maioria de dois terços dos Governadores dos países membros extra-regionais.

BANCO INTERAMERICANO DE DESARROLLO

RESOLUCION AG-10/76

NORMAS GENERALES PARA LA ADMISSION DE PAISES EXTRARREGIONALES
COMO MIEMBROS DEL BANCO

CONSIDERANDO:

Que el Artículo II, Sección 1 (b), del Convenio Constitutivo del Banco, dispone que podrán ser aceptados como miembros del Banco los países extrarregionales que sean miembros del Fondo Monetario Internacional, y Suiza, de acuerdo con las normas generales que la Asamblea de Gobernadores establezca;

Que ciertos países extrarregionales han expresado su interés en ser miembros del Banco; y

Que la Asamblea de Gobernadores ha llegado a la conclusión que sería conveniente que se admita como miembros del Banco a tales países extrarregionales y que su admisión debe realizarse mediante (i) la modificación del Convenio Constitutivo del Banco a fin de que disponga, entre otros asuntos, la creación de una nueva categoría de capital que se denominará capital interregional del Banco; (ii) la adopción de las normas generales para la admisión de países miembros extrarregionales que incluyan disposiciones para un aumento en los recursos del Fondo para Operaciones Especiales; y (iii) un incremento en el capital ordinario autorizado del Banco.

La Asamblea de Gobernadores,

RESUELVE:

Aprobar las siguientes normas generales para la admisión de países extrarregionales como miembros del Banco.

NORMAS GENERALES PARA LA ADMISSION DE PAISES EXTRARREGIONALES
COMO MIEMBROS DEL BANCOSECCION 1. Condiciones para la admisión de miembros extrarregionales

Los países extrarregionales que sean miembros del Fondo Monetario Internacional, y Suiza, podrán ser miembros del Banco siempre que, en la fecha que el Directorio Ejecutivo determine dentro del año calendario 1976, se hayan cumplido las siguientes condiciones:

- (a) Que hayan entrado en vigencia las modificaciones al Convenio Constitutivo del Banco que dispone la resolución intitulada "Modificaciones del Convenio Constitutivo del Banco Relacionadas con la Creación del Capital Interregional del Banco y Materias Afines";
- (b) Que haya entrado en vigencia el aumento en el capital ordinario autorizado que dispone la resolución intitulada "Aumento en el Capital Ordinario Autorizado Exigible y las Correspondientes Cuotas de Suscripción en Relación con la Admisión de Países Miembros Extrarregionales";
- (c) Que por lo menos ocho países extrarregionales, incluyendo por lo menos cuatro países cuyas contribuciones al Fondo para Operaciones Especiales sean de por lo menos US\$60.000.000 por cada país, mediante el depósito en el Banco de los documentos correspondientes, hayan acordado:
 - (i) suscribir por lo menos 31.100 acciones al capital interregional de acuerdo con la Sección 2 de estas Normas Generales;
 - (ii) aportar a los recursos del Fondo para Operaciones Especiales por lo menos el equivalente de US\$375.000.000 ^{1/}, de acuerdo con la Sección 3 de estas Normas Generales.

Si el Directorio Ejecutivo lo considera conveniente, podrá reducir después del 1^o de marzo de 1976, el total de la suscripción de acciones y el total de las contribuciones al Fondo para Operaciones Especiales especificados en los incisos (i) y (ii) precedentes.

Las suscripciones al capital interregional y los aportes al Fondo para Operaciones Especiales por los países extrarregionales se efectuarán por lo menos, en las siguientes sumas:

^{1/} Dólares de los Estados Unidos del peso y ley en vigencia de acuerdo con el cambio en la paridad del dólar de los Estados Unidos de 18 de octubre de 1973.

	Succesiones de Capital		Succesiones de Capital		Total de suscripciones		Sumas oportunas al Fondo para Operaciones Especiales Extranjeras en dólares en dólares corrientes de los EE.UU. ^{1/} de 1959	
	Internacional Extranjero		Extranjero		de Capital Internacional			
	Expresadas en dólares corrientes de los EE.UU. ^{2/}	Acciones de 1959 EE.UU. ^{2/}	Expresadas en dólares corrientes de los EE.UU. ^{1/}	Acciones de 1959 EE.UU. ^{2/}	Expresadas en dólares corrientes de los EE.UU. ^{1/}	Acciones de 1959		
Alemania	\$63	10,410,712	4,367	43,670,000	52,681,009	5,230	\$3,091,751	
Austria	62	650,000	332,377	350	3,500,000	1,129	4,190,000	
Bélgica	171	1,710,000	2,062,817	865	8,550,000	10,436,569	1,036	
Blasfuerza	74	710,000	892,694	373	3,730,000	4,499,660	447	
España	812	8,120,000	10,157,410	4,261	42,610,000	51,430,176	5,106	
Taruel	63	630,000	929,232	316	3,410,000	4,173,518	414	
Italia	812	8,120,000	10,157,410	4,261	42,610,000	51,430,176	5,106	
Japón	310	9,100,000	11,339,627	4,757	47,570,000	51,385,118	5,697	
Paises Bajos	128	1,280,000	1,514,120	648	6,480,000	7,817,104	716	
Portugal	68	680,000	830,313	316	3,410,000	4,173,518	414	
Rusia Unido	812	8,120,000	10,157,410	4,261	42,610,000	51,430,176	5,106	
Suiza	163	1,630,000	2,267,925	932	9,520,000	11,181,318	1,140	
Yugoslavia	69	690,000	832,377	350	3,500,000	4,222,201	419	
Subtotal	5,114	51,610,000	62,295,552	26,116	261,110,000	315,410,264	31,310	
Sin anticipo	1,516	16,650,000	22,118,602	8,954	86,510,000	106,805,510	10,690	
Total	7,000	70,000,000	84,641,022	15,000	359,000,000	422,220,134	12,000	

1/ Dólar de los Estados Unidos del peso y ley en vigencia al 1º de enero de 1959.

2/ Dólar de los Estados Unidos del peso y ley en vigencia de acuerdo con el cambio en la paridad del dólar de los Estados Unidos de octubre 18 de 1973.

SECCION 2. Suscripción de acciones de capital interregional

- (a) Los países extrarregionales enumerados en la Sección 1 de estas Normas Generales podrán suscribir acciones de capital interregional.
- (b) Cada suscripción incluirá por lo menos la cantidad total de las acciones tanto de capital interregional pagadero en efectivo como de capital interregional exigible, asignadas al respectivo país en la Sección 1 de estas Normas Generales, y cada país suscriptor deberá notificar al Banco que ha adoptado todas las medidas necesarias para autorizar su suscripción y deberá proporcionar al Banco toda la información que al respecto pueda solicitarle.
- (c) La suscripción del capital interregional pagadero en efectivo se efectuará por cada país en los siguientes términos y condiciones:
 - (i) El precio de suscripción de cada acción será de 10.000 dólares de los Estados Unidos de América, del peso y ley en vigencia al 1º de enero de 1959.
 - (ii) El pago de las acciones de capital interregional pagadero en efectivo suscritas por cada país deberá efectuarse en tres cuotas iguales, salvo que el Directorio Ejecutivo, teniendo en cuenta circunstancias especiales respecto de ciertos países, acuerde (i) que el monto de la primera cuota a ser pagada por el respectivo país pueda reducirse a no menos del 20% del monto del capital pagadero en efectivo asignado a dicho país, debiendo ajustarse las dos siguientes cuotas; o (ii) que el respectivo país pueda efectuar el pago en cinco cuotas anuales e iguales. Cada país deberá pagar la primera cuota dentro de los treinta días posteriores a la fecha en que estas Normas Generales entren en vigencia o a más tardar, en la fecha en que se deposite el instrumento de aceptación o ratificación de conformidad con la Sección 4 (c)(ii) de estas Normas Generales, si la ratificación ocurriera después. Si un país prefiere pagar la primera cuota en efectivo, podrá efectuar el pago a más tardar al fin del año calendario en el cual entren en vigencia estas Normas Generales, o del año calendario en el cual el miembro deposite su instrumento de ratificación, si éste fuera posterior. Cada una de las restantes cuotas anuales será pagadera a intervalos de un año, a partir de la fecha en que sea pagadera la primera cuota.
 - (iii) Cada cuota se abonará totalmente en la moneda del país contribuyente el cual adoptará las medidas satisfactorias al Banco que aseguren que su moneda será libremente convertible en las monedas de otros países para los propósitos de las operaciones del Banco.

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- (iv) El 50 por ciento de cada cuota estará sujeto a las disposiciones del Artículo V, Sección 1 (b)(i), del Convenio Constitutivo del Banco y deberá pagarse en efectivo. En cuanto al otro 50 por ciento de cada cuota, a menos que un país prefiera efectuar el pago también en efectivo, el Directorio Ejecutivo establecerá un calendario para el pago al Banco de los pagarés o valores similares no negociables ni que devenguen intereses, que se acepten en conformidad con el Artículo V, Sección 4.
- (d) La suscripción del capital interregional exigible se efectuará por cada país en los siguientes términos y condiciones:
 - (i) El precio de suscripción de cada acción será de 10.000 dólares de los Estados Unidos de América, del peso y ley en vigencia al 1º de enero de 1959.
 - (ii) La suscripción de cada país al capital interregional exigible se hará en tres cuotas iguales, las cuales deberán suscribirse, respectivamente, en o antes de las fechas correspondientes al pago de cada una de las primeras tres cuotas de la suscripción del país al capital interregional pagadero en efectivo, de acuerdo con la Sección 2 (c)(ii) de estas Normas Generales.
- (e) Los recursos interregionales de capital se utilizarán para efectuar préstamos en forma tal que se asegure una distribución razonable de préstamos y de las consiguientes obligaciones entre los recursos ordinarios y los recursos interregionales de capital.
- (f) En el momento en que el Banco haya cumplido sus compromisos derivados de todos los empréstitos con destino al capital ordinario que se hallaban pendientes de amortización al 31 de diciembre de 1974, se tomarán medidas para fusionar el capital interregional y el capital ordinario.

SECCION 3. Aumento en los recursos del Fondo para Operaciones Especiales y las correspondientes cuotas de contribución

- (a) Sujeto a las disposiciones de estas Normas Generales, los recursos del Fondo para Operaciones Especiales se aumentarán en una suma equivalente a US\$506.664.161 por medio de las contribuciones de los países extrarregionales, en el entendido de que los países miembros regionales al aprobar estas Normas Generales manifiesten que no desean ejercer el derecho de contribuir la proporción que les corresponda en este aumento, de conformidad con el Artículo IV, Sección 3(g), del Convenio Constitutivo del Banco.

- (b) Dicho aumento entrará en vigencia y las contribuciones serán pagaderas solamente cuando estas Normas Generales hayan entrado en vigencia, de conformidad con la Sección 10 de las mismas.
- (c) Los países extrarregionales harán contribuciones al Fondo para Operaciones Especiales en una suma equivalente a sus suscripciones al capital interregional de conformidad con la Sección 1(c) de estas Normas Generales.
- (d) Cada país miembro hará su contribución totalmente en su propia moneda y adoptará las medidas satisfactorias al Banco que aseguren que su moneda será libremente convertible en las monedas de otros países para los propósitos de las operaciones del Banco.
- (e) La suma total de cada contribución constituirá moneda nacional a la cual se aplicarán las disposiciones del Artículo V, Sección 1 (c), del Convenio Constitutivo del Banco. En caso de que un país eligiese no pagar en efectivo toda su contribución o cualquier parte de ella, el Banco, en conformidad con el Artículo V, Sección 4, del Convenio Constitutivo, aceptará pagarés o valores similares que no sean negociables ni devenguen intereses, debiendo el Directorio Ejecutivo establecer un calendario para su cobro.
- (f) Las contribuciones se harán en tres cuotas iguales, salvo que el Directorio Ejecutivo, teniendo en cuenta circunstancias especiales respecto de ciertos países, acuerde (i) que el monto de la primera cuota a ser pagada por el respectivo país pueda reducirse a no menos del 20% de la contribución total asignada a dicho país, debiendo ajustarse las dos siguientes cuotas; o (ii) que el respectivo país pueda efectuar el pago en cinco cuotas anuales e iguales. Se pagarán las cuotas en las mismas fechas que el país pague sus cuotas de suscripción al capital interregional pagadero en efectivo, de conformidad con la Sección 2 precedente.
- (g) Cada pago de un país miembro deberá hacerse en un monto que, en opinión del Banco, resulte equivalente en su valor total medido en términos del dólar de los Estados Unidos del peso y ley en vigencia de acuerdo con el cambio en la paridad del dólar de los Estados Unidos de 18 de octubre de 1973.
- (h) Las monedas de todos los países miembros en poder del Banco provenientes de estas contribuciones estarán sujetas a las disposiciones del Artículo V, Sección 3, del Convenio Constitutivo del Banco en lo tocante al mantenimiento de valor, pero el patrón de valor que se fija para este propósito será el valor paritario del dólar de los Estados Unidos en vigencia de acuerdo con el cambio en la paridad del dólar de los Estados Unidos de 18 de octubre de 1973, sujeto a que, sin embargo, el

Banco podrá renunciar dicho reajuste en el evento de un reajuste de monedas que abarque un número significativo de países miembros del Banco.

- (i) Sin perjuicio de lo dispuesto por la Sección 3(g) del Artículo IV del Convenio Constitutivo del Banco y conforme con el método tradicional para el aumento de recursos del Fondo para Operaciones Especiales, cualesquiera futuros aumentos de recursos de dicho Fondo se harán en las proporciones y en los términos y condiciones que se negocien en ese momento.

SECCION 4. Requisitos de admisión de países extrarregionales como miembros del Banco

Un país extrarregional será miembro del Banco cuando:

- (a) El Directorio Ejecutivo determine que se han cumplido todas las condiciones establecidas en la Sección 1 precedente;
- (b) Hayan entrado en vigencia estas Normas Generales de conformidad con la Sección 10 de las mismas; y
- (c) El Presidente declare que el país ha dado cumplimiento a cada uno de los siguientes requisitos:
- (i) Que un representante debidamente autorizado del país respectivo ha suscrito el original del Convenio, tal como ha sido modificado, y que se halla depositado en la Secretaría General de la Organización de los Estados Americanos;
- (ii) Que el respectivo país ha depositado en la Secretaría General de la Organización de los Estados Americanos un instrumento en que declare que ha aceptado o ratificado, de conformidad con su propia legislación, el Convenio y todos los términos y condiciones prescritos en estas Normas Generales y que ha adoptado las medidas necesarias para dar cumplimiento a todas las obligaciones que emanen del Convenio y de estas Normas Generales; y
- (iii) Que el respectivo país ha notificado al Banco haber adoptado todas las medidas necesarias para firmar el Convenio y depositar el instrumento de aceptación o ratificación, conforme a lo previsto en los incisos (i) y (ii) de esta sección y ha proporcionado al Banco la información que éste le hubiere solicitado respecto de dichas medidas.

SECCION 5. Países adicionales extrarregionales

Los demás países extrarregionales que no figuran en la Sección 1 de estas Normas Generales podrán ingresar como miembros del Banco de

conformidad a las condiciones que establezca la Asamblea de Gobernadores. Las suscripciones de dichos países extrarregionales y sus respectivas contribuciones al Fondo para Operaciones Especiales consistirán en un número de acciones de capital pagadero en efectivo y de capital exigible del capital interregional y en las contribuciones al Fondo para Operaciones Especiales que determine la Asamblea de Gobernadores, dando debida consideración a las condiciones de las suscripciones y contribuciones de los países extrarregionales que figuran en la Sección 1 de estas Normas Generales.

SECCION 6. Acciones y cuotas de contribución no suscritas

Las acciones de capital interregional y las cuotas de contribución al Fondo para Operaciones Especiales previstas en la Sección 1 (c) de estas Normas Generales que no hayan sido suscritas dentro de dos años de la fecha en que estas Normas Generales entren en vigencia, por los países extrarregionales que figuran en la Sección 1 de estas Normas Generales o por países extrarregionales adicionales, en conformidad con la Sección 5 de estas Normas Generales, podrán ser suscritas por los países miembros extrarregionales que sean miembros en ese momento. Estos miembros tendrán derecho a una cuota de las acciones disponibles equivalente a la proporción que sus acciones hasta entonces suscritas guarden con el total del capital interregional suscrito. Asimismo, estos miembros tendrán derecho a una cuota de las contribuciones no suscritas al Fondo para Operaciones Especiales equivalente a la proporción que sus contribuciones hasta entonces suscritas guarden con el total de las contribuciones suscritas. En cada suscripción se mantendrá la proporción entre capital pagadero en efectivo y capital exigible, así como la proporción entre las contribuciones al Fondo para Operaciones Especiales y las suscripciones al capital que se establece en estas Normas Generales. El pago de las suscripciones de acciones de capital pagadero en efectivo y de las cuotas de contribución al Fondo para Operaciones Especiales, así como las suscripciones al capital exigible, deberán efectuarse dentro de tres años de la fecha en que estas Normas Generales entren en vigor.

SECCION 7. Quórum especial y poder de votación

- (a) Se requerirá el acuerdo de una mayoría de dos tercios del número total de los Gobernadores de los miembros extrarregionales que representen por lo menos tres cuartos de la totalidad de los votos de los países miembros extrarregionales, para la aprobación de:
 - (i) Toda modificación del Convenio Constitutivo del Banco que altere: (1) el número de Gobernadores que serán designados por los países miembros extrarregionales; (2) el número de Directores Ejecutivos que serán elegidos por los Gobernadores de los países miembros extrarregionales de

conformidad con el Artículo VIII, Sección 3 (b)(ii) del Convenio; (3) los incisos (d), (e) y (f) de la Sección 3 del Artículo VII; o (4) las disposiciones relativas a la distribución de las utilidades netas corrientes y acumuladas de los recursos interregionales de capital, especificadas en el Artículo VII, Sección 4, del Convenio Constitutivo; y

(ii) Todo aumento del capital interregional autorizado, señalado en el Artículo IIA, Sección 1 (c), del Convenio.

(b) No entrará en vigencia ningún aumento en la suscripción de cualquier país miembro a las acciones de capital ordinario o a las acciones de capital interregional, y queda suspendido todo derecho de suscribir acciones que tuviera el efecto de reducir el poder de votación (i) de los países miembros regionales en vías de desarrollo a menos de 53,5 por ciento de la totalidad de los votos de los países miembros; (ii) del miembro que tenga el mayor número de acciones a menos de 34,5 por ciento de dicha totalidad de votos; o (iii) de Canadá a menos de 4 por ciento de dicha totalidad de votos, salvo que, sin perjuicio de las disposiciones anteriores y de las del Artículo VIII, Sección 4(b), del Convenio Constitutivo del Banco, toda resolución de la Asamblea de Gobernadores que autorice un aumento del capital ordinario o del capital interregional del Banco especifique (1) que con el fin de evitar que el poder de votación de los países miembros en vías de desarrollo, considerados como grupo, pase a ser menos que el porcentaje fijado, cualquier país miembro perteneciente a dicho grupo podrá suscribir las acciones asignadas a otro país del mismo grupo si éste no deseare suscribirlas; (2) que los países miembros regionales en vías de desarrollo, considerados como grupo, podrán renunciar la aplicación de la disposición relativa a los porcentajes del poder de votación, en lo que respecta al inciso (i), y los Estados Unidos y Canadá en lo que respecta a los incisos (ii) y (iii), respectivamente; y (3) que cualquier miembro del grupo de miembros extrarregionales podrá suscribir las acciones asignadas a otro miembro del mismo grupo si éste no deseare suscribirlas.

SECCION 8. Modificación del Reglamento para la Elección de Directores Ejecutivos

En vista de que los países extrarregionales tendrán derecho a elegir dos Directores Ejecutivos con sus propios votos, según lo dispuesto en el Artículo VIII, Sección 3 (b)(ii), del Convenio Constitutivo del Banco, modificado por la resolución a que se hace referencia en la Sección 1 (a) de estas Normas Generales, se modifica el Reglamento para la Elección de Directores Ejecutivos, previsto en dicho Artículo del Convenio, de la manera que se establece en el Anexo I de estas Normas Generales. Dicha modificación entrará a regir en la misma fecha en que entren en vigencia estas Normas Generales.

SECCION 9. Número de Directores Ejecutivos

Se requerirá el acuerdo de una mayoría de dos tercios del número total de los Gobernadores de los miembros extrarregionales para la aprobación de un aumento en el número de Directores Ejecutivos del Banco a más del número total de trece Directores Ejecutivos.

SECCION 10. Entrada en vigencia

Estas Normas Generales entrarán en vigencia solamente cuando el Directorio Ejecutivo determine que se han cumplido todas las condiciones de la Sección 1 y después de que el Presidente declare que por lo menos ocho países extrarregionales han satisfecho todos los requisitos de la Sección 4 (c) de estas Normas Generales.

(Aprobada el 1 de junio de 1976)

ANEXO I

REGLAMENTO PARA LA ELECCION DE DIRECTORES EJECUTIVOS

I. ELECCION DE DIRECTORES EJECUTIVOS

1. Los Gobernadores que tengan derecho a votar de acuerdo con el Artículo VIII, Sección 3 (b)(ii), del Convenio Constitutivo del Banco elegirán diez Directores Ejecutivos.
2. El Gobernador por Canadá elegirá un Director Ejecutivo con los votos de su país.
3. Los Gobernadores de los países miembros regionales en desarrollo elegirán siete Directores Ejecutivos, de acuerdo con las siguientes disposiciones:
 - (a) Esta sección se aplicará exclusivamente a los países miembros regionales en desarrollo y, para estos fines, la totalidad de los votos de estos países se contará como 100 por ciento.
 - (b) Cada uno de los Gobernadores facultados para votar según esta sección emitirá a favor de una sola persona todos los votos a que el país miembro que él represente tenga derecho de conformidad con el Artículo VIII, Sección 4 (a), del Convenio Constitutivo.
 - (c) En primer lugar, se efectuarán tantas votaciones como sean necesarias hasta que cinco personas hayan sido elegidas Directores Ejecutivos, en la siguiente manera:
 - (i) Cada uno de dos candidatos haya recibido un número de votos que no sea inferior a la suma de los votos que correspondan al país con el mayor número de votos y al país con el menor número de votos.
 - (ii) Un candidato haya recibido un número de votos que no sea inferior a la suma de los votos que correspondan al país con el tercer mayor número de votos y a los dos países con el menor número de votos.
 - (iii) Un candidato haya recibido un número de votos que no sea inferior a la suma de los votos que correspondan al país con el cuarto mayor número de votos y a los dos países con el menor número de votos.
 - (iv) Un candidato haya recibido un número de votos que no sea inferior a la suma de los votos que correspondan al país con el quinto mayor número de votos y a los tres países con el menor número de votos.

- (d) En segundo lugar, los Gobernadores que no hayan emitido su voto a favor de alguno de los Directores elegidos de conformidad con el párrafo (c) elegirán dos Directores Ejecutivos en el entendido de que solamente tendrán derecho a presentar candidatos y a votar los países que individualmente no tengan más de dos y medio por ciento (2-1/2%) de la totalidad de los votos. Se considerarán elegidos los dos candidatos que reciban el mayor número de votos, siempre que en cada caso éstos hayan sido emitidos por tres o más países y se efectuarán tantas votaciones como sean necesarias para llegar a este resultado.
- (e) Terminada la votación cada uno de los Gobernadores que no votó por ninguno de los candidatos elegidos, deberá consignar sus votos en favor de uno de ellos. El número de votos que de conformidad con el Artículo VIII, Sección 4(a), del Convenio Constitutivo tenga cada Gobernador que haya votado o consignado sus votos en favor de algún candidato elegido conforme a este Reglamento se considerará, para los fines del Artículo VIII, Sección 4 (d)(ii), del Convenio, como que contribuyó a la elección de ese candidato.
4. Los Gobernadores de los países miembros extrarregionales elegirán dos Directores Ejecutivos de acuerdo con las siguientes disposiciones:
- (a) Esta sección se aplicará exclusivamente a los países miembros extrarregionales y, para estos fines, la totalidad de los votos de estos países se contará como 100 por ciento.
- (b) Cada uno de los Gobernadores facultados para votar según esta sección emitirá a favor de una sola persona todos los votos a que el país miembro que él represente tenga derecho de conformidad con el Artículo VIII, Sección 4(a), del Convenio Constitutivo.
- (c) Los dos candidatos que reciban el mayor número de votos serán elegidos Directores Ejecutivos; sin embargo, no se considerará elegida a persona alguna a no ser que reciba los votos de tres o más Gobernadores extrarregionales que constituyan por lo menos 40 por ciento de la totalidad de votos, y siempre que, además, no reciba más del 60 por ciento de dicho total de votos. Se efectuarán tantas votaciones como fueren necesarias hasta que se haya elegido dos candidatos.
- (d) Terminada la votación, cada uno de los Gobernadores que no votó por uno u otro de los candidatos elegidos, deberá consignar sus votos en favor de uno de ellos. El número de votos que de conformidad con el Artículo VIII, Sección 4 (a), del Convenio Constitutivo tenga cada uno de los Gobernadores que haya votado o consignado sus votos en favor de un candidato elegido conforme a este Reglamento, se considerará, para los fines del Artículo VIII, Sección 4(d)(ii), del Convenio, como que contribuyó a la elección de ese candidato.

II. NORMAS DE PROCEDIMIENTO PARA LA ELECCION**5. Notificación de la elección**

Por lo menos noventa días antes de la Reunión Anual de la Asamblea de Gobernadores en la que habrá de efectuarse una elección general de Directores Ejecutivos, el Secretario notificará a los Gobernadores de este hecho y los invitará a presentar candidatos.

6. Dirección de la elección

El Presidente de la Asamblea dirigirá la elección, nombrará a dos Gobernadores como escrutadores encargados de la vigilancia y el recuento de los votos y adoptará, asimismo, cualquier otra medida que considere oportuna para la buena realización de la elección.

7. Designación de candidatos

- (a) La elección se efectuará entre los candidatos que sean designados de conformidad con estas normas de procedimiento.
- (b) Los Directores Ejecutivos deberán ser personas de reconocida capacidad y de amplia experiencia en asuntos económicos y financieros y no podrán ser a la vez Gobernadores (Artículo VIII, Sección 3(b)(i), del Convenio Constitutivo).
- (c) Cada Gobernador podrá designar solamente un candidato.
- (d) Las designaciones de candidatos se presentarán al Secretario.
- (e) Cada designación de candidato se efectuará por escrito y será firmada por el Gobernador que la presente.
- (f) El Secretario distribuirá a los Gobernadores la lista de candidatos designados.
- (g) El plazo para la presentación de candidatos vencerá a las 10:00 a.m. del primer día de la respectiva Reunión Anual de la Asamblea en que habrá de efectuarse la elección.

8. Elección

- (a) La elección se conducirá en cuatro procesos separados. En el primero se elegirá al Director Ejecutivo a que se refiere la Sección 2 de este Reglamento. En el segundo se elegirán los cinco Directores Ejecutivos a que se refiere la Sección 3(c) del Reglamento, en el tercero se elegirá a los dos Directores Ejecutivos mencionados en la Sección 3(d) del mismo y en el cuarto se elegirá a los dos Directores Ejecutivos mencionados en la Sección 4.
- (b) La participación de los Gobernadores estará restringida a un solo proceso.

- (c) Al iniciarse cada uno de los procesos antes mencionados, el Secretario anunciará los nombres de los candidatos inscritos y de los países con derecho a participar en la votación.

9. Votación

Cada votación se efectuará como sigue:

- (a) Los votos se emitirán en formularios que, antes de proceder a la votación, el Secretario entregará a cada Gobernador con derecho a voto. En cada votación sólo se tomarán en cuenta los votos presentados en los formularios distribuidos para dicha votación.
- (b) Despues de que el nombre de cada país es anunciado por el Secretario, el Gobernador por ese país depositará en el ánfora su voto firmado.
- (c) Terminada la votación, los escrutadores constatarán el número de votos y procederán a realizar el escrutinio.
- (d) Si los escrutadores fueran de opinión que un voto determinado necesita aclaración o no ha sido debidamente emitido, podrán permitir, cuando sea posible, que el Gobernador respectivo lo corrija antes de terminar el escrutinio, y dicho voto corregido será considerado válido.
- (e) Se efectuarán tantas votaciones como sean necesarias hasta que en una sola votación hayan resultado electos todos los Directores Ejecutivos que corresponda a cada una de las elecciones previstas en la Sección 3(c) y (d) y en la Sección 4 del Reglamento.
- (f) El Presidente de la Asamblea dará a conocer si una elección ha sido o no completada y, si lo ha sido, anunciará los nombres de los Directores Ejecutivos elegidos y de los países miembros que los eligieron.

10. Eliminación de candidatos

En cualquiera de las votaciones, el Gobernador o los Gobernadores que hayan presentado un candidato podrán informar al Secretario que éste no participará en las votaciones sucesivas y, en ese caso, su nombre será retirado de la lista de candidatos.

11. Solución de discrepancias

Los asuntos que se susciten en relación con el procedimiento de la elección serán resueltos por los escrutadores, con derecho a apelación a pedido de un Gobernador, primero al Presidente de la Asamblea y luego a la Asamblea. Siempre que sea posible, se plantearán los asuntos sin identificar al país miembro ni al Gobernador respectivo.

III. VACANCIA EN EL DIRECTORIO EJECUTIVO

12. Los Directores Ejecutivos continuarán en sus cargos hasta que se designen o elijan sus sucesores. Cuando el cargo de un Director elegido quede vacante y falten más de 180 días para la expiración de su período, los Gobernadores que lo eligieron procederán a elegir un nuevo Director Ejecutivo para el resto del período (Artículo VIII, Sección 3(d), del Convenio Constitutivo).
13. Cuando se presente una vacante en el Directorio que requiera elección, el Presidente del Banco notificará de inmediato en tal sentido a los países miembros que eligieron al Director cuya vacante corresponde llenar y pedirá que se proponga candidatos.
14. El Presidente del Banco podrá convocar una reunión de los Gobernadores de tales países con el propósito exclusivo de elegir al nuevo Director o podrá conducir la votación por cualquier medio rápido de comunicación. Se realizarán votaciones sucesivas hasta que uno de los candidatos tenga la mayoría absoluta de los votos emitidos.

IV. MODIFICACION DEL REGLAMENTO

15. La Asamblea de Gobernadores podrá modificar este Reglamento en cualquiera de sus sesiones, o por votación sin convocar a reunión, por mayoría de tres cuartos de la totalidad de los votos de los países miembros, que incluya:
 - (a) Con respecto a modificaciones de las Secciones 1, 2, 3, 5 a 14 y 15(a), una mayoría de dos tercios de los Gobernadores de los miembros regionales; y
 - (b) Con respecto a modificaciones de las Secciones 4 y 15(b), una mayoría de dos tercios de los Gobernadores de los miembros extrarregionales.

BANCO INTERAMERICANO DE DESARROLLO INTER-AMERICAN DEVELOPMENT BANK
BANCO INTERAMERICANO DE DESENVOLVIMENTO BANQUE INTERAMERICAINE DE DEVELOPPEMENT

WASHINGTON, D.C. 20577

I, Jorge Hazera, Secretary of the Inter-American Development Bank,

DO HEREBY CERTIFY

That the attached is the authentic text, in English, French, Portuguese and Spanish, of Resolution AG-10/76 entitled "General Rules Governing Admission of Nonregional Countries to Membership in the Bank", which was approved by the Board of Governors on June 1, 1976.

In witness whereof, I have subscribed my signature and have caused the seal of the Bank to be affixed hereunto, at Washington, D.C., this twenty-eighth day of June, nineteen hundred and seventy-six.

[SEAL]



BRAZIL

Certificates of Airworthiness for Imported Aircraft Products and Components

*Agreement effected by exchange of notes
Signed at Brasilia June 16, 1976;
Entered into force June 16, 1976.*

The American Ambassador to the Brazilian Minister of Foreign Affairs

No: 250

BRASILIA, June 16, 1976

EXCELLENCY:

I have the honor to refer to conversations which have taken place between representatives of our two governments relating to the reciprocal acceptance of airworthiness certifications, in the course of which discussions were held regarding appropriate actions necessary to work towards common safety objectives and to establish standards which will be as similar as practicable. It is my understanding that the two governments have reached an agreement as set out below. It is also my understanding that this agreement does not relate to noise abatement or anti-pollution requirements.

1. This Agreement applies to civil aeronautical products (hereinafter referred to as "products") and certain components referred to in paragraph 3 of this Agreement when such products or components are produced in one contracting state (hereinafter referred to as the "exporting state") and exported to the other contracting state (hereinafter referred to as the "importing state"), and to products produced in another state with which both contracting states have agreements similar in scope for reciprocal acceptance of airworthiness certifications.

2. A. If the competent aeronautical authorities of the exporting state certify that a product produced in that state complies either with its applicable laws, regulations and requirements as well as any additional requirements which may have been prescribed by the importing state under paragraph 4 of this Agreement, or with applicable laws, regulations and requirements of the importing state, as notified by the importing state as being applicable in the particular case, the importing state shall give the same validity to the certification as if the certification had been made by its own competent aeronautical authorities in accordance with its own applicable laws, regulations and requirements.

B. In the case of a product produced in another state with which both contracting states have agreements similar in scope for reciprocal acceptance of airworthiness certification, if the competent aeronautical authorities of the state exporting the product provide a certification that the product conforms to the design covered by the certificate or approval issued by the importing state and certify that the product is in a proper state of airworthiness, the importing state shall give the same validity to such certification as if the certification had been made by its own competent aeronautical authorities in accordance with its applicable laws, regulations and requirements.

3. In the case of a component which is produced in the exporting state for export and use on a product which is or may be certificated or approved in the importing state, if the competent aeronautical authorities of the exporting state certify that the component conforms to the applicable design data, meets the applicable test requirements and has been produced in accordance with the applicable quality control requirements, which have been notified by the importing state to the exporting state, the importing state shall give the same validity to the certification as if the certification had been made by its own competent aeronautical authorities. This provision shall only apply to those components which are produced by a manufacturer in the exporting state pursuant to an agreement between the manufacturer and the product manufacturer in the importing state. Furthermore, it shall only apply in those instances where, in the judgment of the importing state, the component is of such complexity that determination of conformity and quality control cannot readily be made at the time the component is assembled with the product.

4. The competent aeronautical authorities of the importing state shall have the right to make acceptance of any certification by the competent aeronautical authorities of the exporting state dependent upon the product meeting any additional requirements which the importing state finds necessary to ensure that the product meets a level of safety equivalent to that provided by its applicable laws, regulations and requirements which would be effective for a similar product produced in the importing state. The competent aeronautical authorities of the importing state shall promptly advise the competent aeronautical authorities of the exporting state of any such additional requirements.

5. The competent aeronautical authorities of each contracting state shall keep the competent aeronautical authorities of the other contracting state fully informed of all mandatory airworthiness modifications and special inspections which they determine are necessary in respect of imported or exported products to which this Agreement applies.

6. The competent aeronautical authorities of the exporting state shall, in respect of products produced in that state, assist the competent aeronautical authorities of the importing state in determining whether major design changes and major repairs made under the

control of the competent aeronautical authorities of the importing state comply with the laws, regulations and requirements under which the product was originally certificated or approved. They shall also assist in analyzing those major incidents occurring on products to which this Agreement applies and which are such as would raise technical questions regarding the airworthiness of such products.

7. The competent aeronautical authorities of each contracting state shall keep the competent aeronautical authorities of the other contracting state currently informed of all relevant laws, regulations and requirements of their state.

8. In the case of conflicting interpretations of the laws, regulations or requirements pertaining to certifications or approvals under this Agreement, the interpretation of the competent aeronautical authorities of the contracting state whose law, regulation or requirement is being interpreted shall prevail.

9. For the purpose of this Agreement:

(A) "Products" means aircraft, engines, propellers and appliances;

(B) "Aircraft" means a civil aircraft of all categories, whether used in public transportation or for other purposes, and includes replacement and modification parts therefor;

(C) "Engines" means engines intended for use in aircraft as defined in (B) and includes replacement and modification parts therefor;

(D) "Propellers" means propellers intended for use in aircraft as defined in (B) and includes replacement and modification parts therefor;

(E) "Appliance" means any instrument, equipment, mechanism, apparatus or accessory used or intended to be used in operating an aircraft in flight, which is installed in, intended to be installed in, or attached to the aircraft as defined in (B), but is not part of an airframe, engine or propeller, and includes replacement and modification parts therefor;

(F) "Component" means a material, part, or subassembly not covered in (B), (C), (D), or (E) for use on civil aircraft, engines, propellers or appliances;

(G) "Produced in one contracting state" means that the product or component as a whole is fabricated in the exporting state, even though portions thereof may have been fabricated in another state; and

(H) "Applicable laws, regulations and requirements" means

(I) Those airworthiness laws, regulations and requirements which are effective on the date the manufacturer applies for certification of the product in the importing state; or

(II) For products currently in production, those airworthiness requirements effective on the date of the latest amendment of the airworthiness requirements which were required to be used for the certification of the product in the exporting state or those airworthiness

requirements of the importing state applicable to a similar product certified to airworthiness requirements of the same date; or

(III) For products no longer in production, such airworthiness requirements as the competent aeronautical authorities of the importing state find acceptable in the particular case.

10. The competent aeronautical authorities of each contracting state shall make such mutual arrangements in respect of procedures as they deem necessary to implement this Agreement, and to ensure that redundant certification, testing and analysis are avoided.

11. Each contracting state shall keep the other contracting state advised as to the identity of its competent aeronautical authorities.

12. Either contracting state may terminate this Agreement at the expiration of not less than 60 days after giving written notice of that intention to the other state.

Upon receipt of a note from your Excellency indicating that the foregoing provisions are acceptable to the Government of the Federative Republic of Brazil, the Government of the United States of America will consider that the present note and your reply thereto constitute an Agreement between our two Governments on this subject which shall enter into force on the date of your reply.

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

JOHN HUGH CRIMMINS

His Excellency ANTONIO F. AZEREDO DA SILVEIRA
Minister of Foreign Affairs
Brasília

The Brazilian Minister of Foreign Affairs to the American Ambassador

MINISTERIO DAS RELAÇÕES EXTERIORES

DPG/DCS/DAI/10/688(B46)(B13)

EM 16 DE JUNHO DE 1976.

SENHOR EMBAIXADOR,

Tenho a honra de dirigir-me a Vossa Exceléncia a propósito de sua Nota desta data, com o seguinte teor:

“EXCELÊNCIA,

Tenho a honra de referir-me às conversações havidas entre representantes de nossos dois Governos acerca da aceitação recíproca de certificados de aeronavegabilidade, em cujo transcorrer foram mantidos entendimentos quanto a medidas adequadas, necessárias com vistas a objetivos comuns de segurança e ao estabelecimento de padrões tão semelhantes quanto possível. É meu entendimento que nossos dois Governos chegaram a um acordo nos termos abaixo.

TIAS 8384

Também é meu entendimento que o citado acordo não se refere a requisitos de redução de níveis de ruído e anti-poluição.

1. Este acordo se aplica aos produtos de uso na aviação civil (adiante referidos simplesmente como "produtos") e a certos componentes definidos no parágrafo 3 deste Acordo, quanto esses produtos ou componentes forem fabricados em um dos Estados contratantes (referidos a seguir como "Estado exportador") e exportados para o outro Estado contratante (referido a seguir como "Estado importador"), bem como aos produtos fabricados em um terceiro país, com o qual ambos os Estados contratantes tenham acordos similares com o objetivo de aceitação recíproca de certificações de aeronavegabilidade.

2.A. Se as autoridades aeronáuticas competentes do Estado exportador certificarem que um produto fabricado naquele Estado está de acordo seja com suas leis, regulamentos e requisitos aplicáveis, bem como quaisquer requisitos adicionais que tenham sido estabelecidos pelo Estado importador conforme previsto no parágrafo 4 deste Acordo, seja com as leis, regulamentos e requisitos aplicáveis no Estado importador, tais como notificados pelo Estado importador como aplicáveis no caso específico, o Estado importador atribuirá a tal certificação a mesma validade que esta certificação teria se houvesse sido emitida por suas próprias autoridades aeronáuticas competentes, de acordo com suas próprias leis, regulamentos e requisitos aplicáveis.

B. No caso de um produto fabricado em outro Estado, com o qual ambos os Estados contratantes tenham acordos similares com o objetivo de aceitação recíproca de certificações de aeronavegabilidade, se as autoridades aeronáuticas competentes do Estado exportador do produto fornecerem um certificado de que o produto está em conformidade com o projeto coberto pelo certificado ou aprovação emitida pelo Estado importador, e certificarem que o produto está em condições adequadas de aeronavegabilidade, o Estado importador atribuirá a tal certificação a mesma validade que esta certificação teria se houvesse sido emitida por suas próprias autoridades aeronáuticas competentes, de acordo com suas leis, regulamentos e requisitos aplicáveis.

3. No caso de um componente que é fabricado no Estado exportador, para exportação e emprego em um produto que é ou possa ser certificado ou aprovado no Estado importador, se as autoridades aeronáuticas competentes do Estado exportador certificarem que o componente está em conformidade com os dados de projeto aplicáveis, satisfaz os requisitos de teste aplicáveis e foi fabricado de acordo com os requisitos de controle de qualidade aplicáveis, que tenham sido notificados pelo Estado importador ao Estado exportador, o Estado importador atribuirá a tal certificação a mesma validade que esta certificação teria se houvesse sido emitida por suas próprias autoridades aeronáuticas competentes. Esta disposição só se aplicará aos componentes produzidos por um fabricante

no Estado exportador conforme acordo entre tal fabricante e o fabricante do produto no Estado importador. A presente disposição só se aplicará, ademais, nos casos em que, a juízo do Estado importador, o componente for de tal complexidade que a determinação da conformidade e o controle de qualidade não possam ser prontamente realizados no momento da montagem do componente no produto.

4. As autoridades aeronáuticas competentes do Estado importador terão o direito de condicionar a aceitação de qualquer certificação emitida pelas autoridades aeronáuticas competentes do país exportador a que o produto satisfaça quaisquer requisitos adicionais que o Estado importador julgue necessários para garantir que o produto alcance nível de segurança equivalente àquele proporcionado por suas leis, regulamentos e requisitos aplicáveis, em vigor para um produto similar no Estado importador. As autoridades aeronáuticas competentes do Estado importador informarão prontamente as autoridades aeronáuticas competentes do Estado exportador acerca de quaisquer desses requisitos adicionais.

5. As autoridades aeronáuticas competentes de cada Estado contratante manterão as autoridades aeronáuticas competentes do outro Estado contratante plenamente informadas de todas as modificações obrigatórias em matéria de aeronegabilidade e inspeções especiais que considerem necessárias com relação aos produtos importados ou exportados aos quais este Acordo se aplica.

6. As autoridades aeronáuticas competentes do Estado exportador auxiliarão, no que concerne aos produtos fabricados naquele Estado, as autoridades aeronáuticas competentes do Estado importador a detectar se grandes modificações de projeto ou grandes reparos executados sob o controle das autoridades aeronáuticas competentes do Estado importador estão em conformidade com as Leis, regulamentos e requisitos sob os quais o produto foi originalmente certificado ou aprovado. Aquelas autoridades auxiliarão também na análise dos incidentes mais importantes ocorridos com os produtos aos quais este Acordo se aplica, que sejam de natureza a levantar questões técnicas referentes à aeronegabilidade de tais produtos.

7. As autoridades aeronáuticas competentes de cada Estado contratante manterão as autoridades aeronáuticas competentes do outro Estado contratante constantemente informadas de todas as leis, regulamentos e requisitos pertinentes de seu Estado.

8. No caso de interpretações conflitantes das leis, regulamentos e requisitos referentes a certificações ou aprovações emitidas em conformidade com este Acordo, prevalecerá a interpretação das autoridades aeronáuticas competentes do Estado contratante cujas leis, regulamentos e requisitos estiverem sendo interpretados.

9. Para os propósitos deste Acordo:

A. "Produtos" significa aeronaves, motores, hélices e equipamentos;

- B. "Aeronave" significa aeronave civil de qualquer categoria, utilizada para o transporte público ou para outras finalidades, incluindo para esse fim peças de modificação e reposição;
 - C. "Motores" significa motores destinados ao uso em aeronaves como definidas em (B), incluindo para esse fim peças de modificação e reposição;
 - D. "Hélices" significa hélices destinadas ao uso em aeronaves como definidas em B, incluindo para esse fim peças de modificação e reposição;
 - E. "Equipamento" significa qualquer instrumento, dispositivo, mecanismo, aparelho ou acessório utilizado ou destinado a ser utilizado na operação em vôo de uma aeronave, que seja instalado, destinado a ser instalado, ou fixado em uma aero aeronave conforme definida em (B), mas que não é parte integrante de uma célula, motor ou hélice, incluindo para esse fim peças de modificação e reposição;
 - F. "Componente" significa material, peça ou subconjunto não coberto por (B), (C), (D) ou (E), para uso em aeronave, motores, hélices ou equipamentos de emprego civil;
 - G. "Fabricado em um Estado contratante" significa que o produto ou componente, como um todo, é fabricado no Estado exportador, ainda que algumas partes do mesmo tenham sido fabricadas em outro Estado;
 - H. "Leis, regulamentos e requisitos aplicáveis" significa:
 - (I) – aquelas leis, regulamentos e requisitos de aeronavegabilidade que estejam em vigor na data em que o fabricante requerer a certificação do produto no Estado importador; ou
 - (II) – para produtos atualmente em produção, os requisitos de aeronavegabilidade em vigor na data da última emenda aos requisitos de aeronavegabilidade que tenham sido exigidos para certificação do produto no Estado exportador, ou os requisitos de aeronavegabilidade do Estado importador aplicáveis a um produto similar certificado segundo requisitos de aeronavegabilidade à mesma data; ou
 - (III) – para produtos não mais em produção, os requisitos de aeronavegabilidade que as autoridades aeronáuticas competentes do Estado importador considerarem aceitáveis para o caso específico.
10. As autoridades aeronaúticas competentes de cada Estado contratante ajustarão mutuamente os procedimentos que julgarem necessários para a implementação deste Acordo e assegurar sejam evitadas certificações, testes e análises redundantes.

11. Cada Estado contratante manterá o outro Estado contratante informado da identidade de suas autoridades aeronáuticas competentes.

12. Qualquer dos Estados contratantes poderá pôr termo a este Acordo ao final de prazo não inferior a 60 (sessenta) dias, a contar de notificação ao outro Estado, por escrito, desse propósito.

Ao recebimento de Nota de Vossa Excelência, comindicação de que as disposições anteriores são aceitáveis para o Governo da República Federativa do Brasil, o Governo dos Estados Unidos da América considerará que a presente Nota e sua resposta constituem Acordo entre nossos dois Governos nessa matéria, a entrar em vigor na data de sua resposta.

Aceite, Excelência, os protestos renovados da minha mais alta consideração.

JOHN HUGH CRIMMINS".

2. Em resposta à transcrita Nota de Vossa Excelência, tenho a honra de confirmar-lhe a concordância do Governo brasileiro com seus termos, bem como o entendimento de que aquela Nota, e a presente, constituem Acordo entre nossos dois Governos, com vigência a partir desta data.

Aproveito a oportunidade para renovar a Vossa Excelência os protestos da minha mais alta consideração.

A. F. AZEREDO DA SILVEIRA

A sua Excelência o Senhor

JOHN HUGH CRIMMINS,

Embaixador dos Estados Unidos da America.

Translation

MINISTRY OF FOREIGN AFFAIRS

DPG/DCS/DAI/70/688(B46)(B13)

JUNE 16, 1976

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's note of this date, which reads as follows:

[For the English language text, see pp. 3700-3703.]

In reply to the note transcribed above, I have the honor to confirm to Your Excellency the Brazilian Government's agreement with its terms and with the understanding that the aforesaid note and this note shall constitute an Agreement between our two Governments which shall enter into force on this date.

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

A. F. AZEREDO DA SILVEIRA

His Excellency

JOHN HUGH CRIMMINS,

*Ambassador of the United States
of America .*

SEYCHELLES

Tracking Station: Mahe Island

*Agreement signed at Victoria June 29, 1976;
Entered into force June 29, 1976.*

AGREEMENT

BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

AND

THE GOVERNMENT OF THE REPUBLIC OF SEYCHELLES

Embodying the terms agreed upon between the parties in London
on the 18th day of March, 1976.^[1]

ARTICLE I

General Purpose

The United States Government is authorised to establish, operate and maintain, in the island of Mahe, a tracking and telemetry facility for orbital control and data acquisition in connection with various United States space projects, facilities for meteorological and seismological research, and for communications facilities for such projects and research.

ARTICLE II

Definitions

For the purpose of this Agreement:

1. "Contractor personnel" means employees of a United States contractor who are not ordinarily resident in Seychelles and who are there solely for the purposes of this Agreement;
2. "Dependents" means the spouse and children under 21 years of age of a person in relation to whom it is used; and, if they are dependent upon him for their support, the parents and children over 21 years of age of that person,

¹ Not printed.

3. "Members of the United States Forces" means
 - a. military members of the United States Forces on active duty who are permanently or temporarily assigned to Seychelles for the performance of official duties;
 - b. civilian personnel accompanying the United States Forces and in their employ who are not ordinarily resident in Seychelles and who are there solely for the purpose of this Agreement; and
 - c. dependents of the persons described in paragraphs a and b above.
4. "United States authorities" means the authority or authorities from time to time authorized or designated by the United States Government for the purpose of exercising the powers in relation to which the expression is used,
5. "United States contractor" means any person, body or corporation ordinarily resident in the United States of America, that, by virtue of a contract with the United States Government, is in Seychelles for the purposes of this Agreement, and includes a subcontractor;
6. "United States Forces" means the land, sea and air armed services of the United States, including the Coast Guard;
7. "Sites" means the sites provided under Article IV of this Agreement so long as they are so provided, and "Site" means any site so provided.

ARTICLE III

Costs

The costs of constructing, installing, equipping, operating and maintaining the facilities shall be borne wholly by the United States Government.

ARTICLE IV

Provision of Sites

1. The Government of Seychelles shall provide to the United States Government for the purposes of this Agreement such sites, rights of way and easements as may be agreed between the United States Government and the Government of Seychelles. The sites, rights of way and easements available to the United States Government for the purposes of this Agreement on the date it enters into force shall continue to be available during the lifetime of this Agreement. The sites, rights of way and easements referred to in this Article shall be the subject of a lease to be concluded by appropriate authorities of the two Governments.
2. Access to the sites shall be limited to persons officially connected with the facilities, agreed-upon officials of the Government of Seychelles, and such other persons as may be agreed upon by representatives of the two Governments designated for that

purpose. The United States Government will cooperate fully with the Government of Seychelles regarding access.

3. The United States Government may at any time notify the Government of Seychelles that it has vacated and no longer requires a site or specified portion thereof and thereupon such site or portion thereof shall, for the purposes of this Agreement, cease to be, or to be a portion of, a site. The United States Government shall be under no obligation to restore the sites to the condition in which they were at any time prior to their ceasing to be sites or parts of sites.

ARTICLE V

Installations

1. The United States Government shall have the right to establish, operate, maintain, and use an instrumentation and communications system solely for the purposes of this Agreement, including radar, telemetry radio, communication lines, meteorological and seismological equipment, and necessary supporting buildings and structures. Facilities for point-to-point communications shall be installed only to the extent that communications requirements cannot be met when needed by the Seychelles authorized telecommunications carrier. Communications facilities once installed by the United States Government may continue in operation by United States authorities notwithstanding expansion of capability by the Seychelles authorized telecommunications carrier.
2. Power for the facilities may, under license without charge from the Seychelles Electricity Department, be generated at the sites if the said Department itself is unable to supply power when needed of the type and quantity required. Power generating facilities once installed by the United States Government may continue in operation by United States authorities notwithstanding expansion of capability by the Seychelles Electricity Department.
3. The construction and maintenance of any roads needed to connect the sites with the local road system shall be at the expense of the United States Government. With respect to other than the aforementioned connecting roads, the United States Government, through the appropriate United States representative, shall consult from time to time with the Government of Seychelles for the purpose of determining jointly the extent of any damage to such roads which may have been caused by United States operations, and the repairs which are necessary. The United States Government shall pay annually to the Government of Seychelles the amount of the cost of any such repairs.
4. The use of radio frequencies, powers, and band widths for radio services (including radar) shall be subject to the prior concurrence of the appropriate authorities of the Government of

Seychelles. Radio frequencies, powers, and band widths in use by the United States Government on the date of entry into force of this Agreement shall continue to be available for such use. All radio operations shall comply at all times with the provisions of the International Telecommunication Convention.^[1]

ARTICLE VI

Property

1. Subject to paragraph 3 below, the title to any removable property imported or procured in Seychelles by the United States Government or a United States contractor shall remain in the United States Government or the contractor as the case may be. Such property, including official papers, shall be exempt from inspection, search and seizure.
2. Such property may be freely removed from Seychelles. However, it shall not be disposed of within Seychelles unless either:
 - a. consent has been given in writing by the Government of Seychelles, or
 - b. an offer consistent with the laws of the United States then in effect has been made to sell the property to the Government of Seychelles, and the Government has not accepted such offer within a period of 120 days after it was made, or such longer period as may be reasonable under the circumstances.
3. Any such property not removed or disposed of within a reasonable time after the termination of this Agreement shall become the property of the Government of Seychelles.

ARTICLE VII

Entry and Departure

1. Military members of the United States Forces who may be brought into Seychelles for the purposes of this Agreement shall be exempt from passport and visa requirements, immigration inspection and any registration or control as aliens. Such persons shall be furnished with appropriate United States identification cards, specimens of which shall be supplied to the Government of Seychelles.
2. Other members of the United States Forces, as well as contractor personnel and their dependents, shall be admitted if in possession of a valid national passport, duly visaed and endorsed. The Government of Seychelles shall take the necessary steps to facilitate the stay of such persons in Seychelles by the issuance of the appropriate permits.

¹ TIAS 4893, 5603, 6332, 6590, 7435; 12 UST 2377; 15 UST 887; 18 UST 2091; 19 UST 6717; 23 UST 1527.

3. The United States Government shall take such steps as are open to it to ensure the correct behaviour of the persons referred to in paragraphs 1 and 2 above and at the request of the Government of Seychelles to remove as soon as possible any such persons whose conduct renders their presence in Seychelles undesirable to its Government.

ARTICLE VIII

Customs Duties and other Taxes

1. No import, excise, consumption or other tax, duty or impost shall be charged on.
 - a. material, equipment, supplies or goods for use in the establishment, maintenance, or operation of the facilities which are consigned to or destined for the United States authorities or a United States contractor;
 - b. goods for use or consumption aboard United States public vessels or aircraft;
 - c. goods consigned to the United States authorities or to a United States contractor for the use of or for sale to military members of the United States Forces, or to other members of the United States Forces, or to those contractor personnel and their dependents who are nationals of the United States and are not engaged in any business or occupation in Seychelles;
 - d. the personal belongings or household effects for the personal use of persons referred to in subparagraph c above, including motor vehicles, provided that these accompany the owner or are imported either:
 - (i) within a period beginning 60 days before and ending 120 days after the owner's arrival; or
 - (ii) within a period of 6 months immediately following his arrival.
 - e. reasonable quantities of goods for consumption and goods (other than personal belongings and household effects) acquired after first arrival, including gifts, consigned to military members of the United States Forces, or to those other members of the United States Forces who are nationals of the United States and are not engaged in any business or occupation in Seychelles, provided that such goods are:
 - (i) of United States origin if the Government of Seychelles so requires, and
 - (ii) imported for the personal use of the recipient.
2. No export tax shall be charged on the material, equipment, supplies or goods mentioned in paragraph 1 above in the event of reshipment from Seychelles.

3. This Article shall apply notwithstanding that the material, equipment, supplies or goods pass through other parts of Seychelles en route to or from a site.
4. The United States authorities shall do all in their power to prevent any abuse of customs privileges and shall take administrative measures, including appropriate controls, which shall be mutually agreed upon between the appropriate authorities of the United States and Seychelles, to prevent the disposal without payment of duties or taxes, whether by resale or otherwise, of goods which are used or sold under subparagraph 1.c. above, or imported under subparagraph 1.d. or 1.e. above, to persons not entitled to buy goods pursuant to subparagraph 1.c., or not entitled to free importation under subparagraph 1.d. or 1.e. There shall be cooperation between the United States authorities and the Government of Seychelles to this end, both in prevention and in investigation of cases of abuse.
5. United States authorities will provide the earliest possible official notification to the customs authorities of articles which are imported for the use of the Tracking Facility and its personnel and which qualify for exemption from customs duties and other taxes under subparagraph 1.a., b., and c., such notification to be given whenever feasible in advance of the arrival of the articles.
6. With regard to goods for consumption and goods (other than personal belongings and household effects) acquired after first arrival, including gifts, of persons referred to in subparagraph 1.c. and exempted from duty under subparagraph 1.e., it is understood that when such goods are purchased locally, the exemption will operate only in cases of purchases made under subparagraph 1.c. Purchase in local shops on which duty has already been paid will not qualify for a refund of duty save when the purchases are made by the United States authorities or their contractor and the drawback is specially approved by the customs authorities.
- 7 Firm evidence of any cases of customs violations by their personnel of which they have knowledge will be reported by the United States authorities to the customs authorities.
8. The United States authorities will ensure the storage of all duty-exempt goods imported by them under subparagraphs 1.a., b. and c. at sites agreed with the customs authorities and will take reasonable measures, in consultation with the Seychelles authorities, to safeguard such goods against theft and pilferage.
9. The United States authorities will ensure that not more than one motor vehicle imported duty-free is held by any individual or family at any particular time.

ARTICLE IX

Motor Vehicle Taxes

No tax or fee shall be payable in respect of registration or licensing for use in Seychelles of motor vehicles belonging to the United States Government or United States contractors and used for purposes connected directly with the establishment, maintenance or operation of the facilities with which this Agreement is concerned.

ARTICLE X

Taxation

1. No member of the United States Forces (which term for the purposes of this Article shall not include dependents other than a spouse and minor children) or national of the United States serving or employed in Seychelles in connection with the establishment, maintenance or operation of the facilities with which this Agreement is concerned and residing in Seychelles by reason only of such employment or his wife or minor children, shall be liable to pay income tax in Seychelles except in respect of income derived from private activities in Seychelles not associated with the establishment, maintenance, or operation of facilities under this Agreement.
2. No such person shall be liable to pay in Seychelles any poll tax or similar tax on his person, or any tax on ownership or use of property which is situated outside Seychelles, or situated within Seychelles solely by reason of such person's presence there in connection with activities under this Agreement.
3. No person ordinarily resident in the United States shall be liable to pay income tax in Seychelles in respect of any profits derived under a contract made in the United States in connection with the establishment, maintenance or operation of the facilities with which this Agreement is concerned, or any tax in the nature of a license in respect of any service or work for the United States Government in connection with the establishment, maintenance or operation of these facilities.

ARTICLE XI

Criminal Jurisdiction

1. Subject to the provisions of this Article:
 - a. The military authorities of the United States shall have the right to exercise within Seychelles all criminal and disciplinary jurisdiction conferred on them by United States law over all persons subject to the military law of the United States; and
 - b. The authorities of Seychelles shall have jurisdiction over the members of the United States Forces with respect to offenses

committed within Seychelles and punishable by the law in force there.

2. a. The military authorities of the United States shall have the right to exercise exclusive jurisdiction over persons subject to the military law of the United States with respect to offenses, including offenses relating to security, punishable by the law of the United States but not by the law in force in Seychelles.
b. The authorities of Seychelles shall have the right to exercise exclusive jurisdiction over members of the United States Forces with respect to offenses, including offenses relating to security, punishable by the law in force in Seychelles but not by the law of the United States.
c. For the purposes of paragraphs 2 and 3 an offense relating to security shall include.
 - (i) treason, and
 - (ii) sabotage, espionage or violation of any law relating to official secrets or secrets relating to national defense.
3. In cases where the right to exercise jurisdiction is concurrent the following rules shall apply.
 - a. The military authorities of the United States shall have the primary right to exercise jurisdiction over a member of the United States Forces in relation to
 - (i) offenses solely against the property or security of the United States or offenses solely against the person or property of another member of the United States Forces; and
 - (ii) offenses arising out of any act or omission done in the performance of official duty
 - b. In the case of any other offense the authorities of Seychelles shall have the primary right to exercise jurisdiction.
 - c. If the authorities having the primary right decide not to exercise jurisdiction, they shall notify the other authorities as soon as practicable. The United States authorities shall give sympathetic consideration to a request from the authorities of Seychelles for a waiver of their primary right in cases where the authorities of Seychelles consider such waiver to be of particular importance. The authorities of Seychelles will waive, upon request, their primary right to exercise jurisdiction under this paragraph, except where they in their discretion determine and notify the United States authorities that it is of particular importance that such jurisdiction be not waived.
4. The foregoing provisions of this Article shall not imply any right for the military authorities of the United States to exercise jurisdiction over persons who belong to, or are ordinarily resident in, Seychelles, unless they are military members of the United States Forces.

5. a. To the extent authorized by law, the authorities of Seychelles and the military authorities of the United States shall assist each other in the service of process and in the arrest of members of the United States Forces in Seychelles and in handing them over to the authorities which are to exercise jurisdiction in accordance with the provisions of this Article.
b. The authorities of Seychelles shall notify promptly the military authorities of the United States of the arrest of any member of the United States Forces.
c. Unless otherwise agreed, the custody of an accused member of the United States Forces over whom the authorities of Seychelles are to exercise jurisdiction shall, if he is in the hands of the United States authorities, remain with the United States authorities until he is charged. In cases where the United States authorities may have the responsibility for custody pending the completion of judicial proceedings, the United States authorities shall, upon request, make such a person immediately available to the authorities of Seychelles for purposes of investigation and trial and shall give full consideration to any special views of such authorities as to the way in which custody should be maintained.
6. a. To the extent authorized by law, the authorities of the United States and of Seychelles shall assist each other in the carrying out of all necessary investigations into offenses, in providing for the attendance of witnesses and in the collection and production of evidence, including the seizure and, in proper cases, the handing over of objects connected with an offense. The handing over of such objects may, however, be made subject to their return within the time specified by the authorities delivering them.
b. The authorities of the United States and of Seychelles shall notify one another of the disposition of all cases in which there are concurrent rights to exercise jurisdiction.
7. A death sentence shall not be carried out in Seychelles by the military authorities of the United States.
8. Where an accused has been tried in accordance with the provisions of this Article and has been acquitted or has been convicted and is serving, or has served, his sentence or has been pardoned, he may not be tried again for the same offense within Seychelles. Nothing in this paragraph shall, however, prevent the military authorities of the United States from trying a military member of the United States Forces for any violation of rules of discipline arising from an act or omission which constituted an offense for which he was tried by the authorities of Seychelles.
9. Whenever a member of the United States Forces is prosecuted by the authorities of Seychelles he shall be entitled
 - a. to a prompt and speedy trial,
 - b. to be informed in advance of trial of the specific charge or charges made against him,

- c. to be confronted with the witnesses against him,
 - d. to have compulsory process for obtaining witnesses in his favour if they are within the jurisdiction of Seychelles;
 - e. to have legal representation of his own choice for his defense, or to have free or assisted legal representation under the conditions prevailing for the time being in Seychelles;
 - f. if he considers it necessary, to have the services of a competent interpreter; and
 - g. to communicate with a representative of the United States and, when the rules of the court permit, to have such a representative present at his trial which shall be public except when the court decrees otherwise in accordance with the law in force in Seychelles.
10. Where a member of the United States Forces is tried by the military authorities of the United States for an offense committed outside the sites or involving a person, or the property of a person, other than a member of the United States Forces, the aggrieved party and representatives of Seychelles and of the aggrieved party may attend the trial proceedings except where this would be inconsistent with the rules of the court.
11. A certificate of the appropriate United States commanding officer that an offense arose out of an act or omission done in the performance of official duty shall be conclusive, but the commanding officer shall give consideration to any representation made by the Government of Seychelles.
12. Regularly constituted military units or formations of the United States Forces shall have the right to police the sites. The military police of the United States Forces may take all appropriate measures to ensure the maintenance of order and security within the sites.

ARTICLE XII

Civil Damages and Claims

1. The United States Government shall, in consultation with the Government of Seychelles, take all reasonable precautions against possible danger and damage resulting from operations under this Agreement.
2. The United States Government agrees to pay just and reasonable compensation, which shall be determined in accordance with the measure of damages prescribed by the law of Seychelles, in settlement of civil claims (other than contractual claims) arising out of acts or omissions of members of the United States Forces done in the performance of official duty or out of any other act or omission or occurrence for which the United States Forces are legally responsible.
3. Any such claim presented to the United States Government shall be processed and settled in accordance with the applicable provisions of United States law.

ARTICLE XIII

Arms and Ammunition

The possession or importation of arms and ammunition shall be prohibited, except that the Government of Seychelles will permit a limited number of small arms to be maintained under strict controls at the site for official purposes.

ARTICLE XIV

Driving Permits

1. The Government of Seychelles shall honor without driving test or fee driving permits issued by the United States or a subdivision thereof to members of the United States Forces and to United States contractor personnel and their dependents, or issue its own driving permits without test or fee to such persons who hold such United States permits. Such persons who do not hold driving permits issued by the United States or a subdivision thereof shall be required as a condition of operating motor vehicles in Seychelles to obtain driving permits in accordance with the law in force in Seychelles.
2. The United States authorities, in collaboration with the authorities of Seychelles, shall issue appropriate instruction to members of the United States Forces and to United States contractors, contractor personnel and their dependents, fully informing them of the traffic laws in force in Seychelles and requiring strict compliance therewith. If, following a conviction a court suspends or revokes a driving permit, the Seychelles authorities will act in accordance with the order of the court, not being obliged to act otherwise by anything in this Agreement.

ARTICLE XV

Health and Sanitation

The appropriate authorities shall collaborate in the enforcement in the sites of the health and quarantine laws in force in Seychelles. These authorities shall also collaborate in making arrangement for the improvement of sanitation and the protection of health in areas outside, but in the vicinity of, the sites.

ARTICLE XVI

Public Services

The United States Government shall have the right to employ and use all utilities, services and facilities, harbours, roads, highways, bridges, viaducts, canals and similar channels of transportation in Seychelles belonging to or controlled or regulated by or on behalf of the Government of Seychelles on such conditions as shall be agreed

between the United States Government and the Government of Seychelles.

ARTICLE XVII

Shipping and Aviation

1. United States public vessels operated by the Army, Navy, Air Force, Coast Guard, or the Coast and Geodetic Survey bound to or departing from Seychelles for the purposes of this Agreement shall not be subject to compulsory pilotage. If a pilot is taken, pilotage shall be paid for at appropriate rates. Such vessels shall have such exemption from light and harbour dues in Seychelles as shall be agreed between the United States Government and the Government of Seychelles.
2. Aircraft owned or operated by or on behalf of the United States Government shall have the right to use airports in Seychelles for the purposes of this Agreement. No landing charges shall be payable by the United States Government by reason of the use by such aircraft of those airports. The United States Government shall make a fair and reasonable contribution to the maintenance and operating costs of airports used by such aircraft, the amount of such contribution being determined by agreement between the appropriate United States authorities and the Government of Seychelles.

ARTICLE XVIII

Postal Facilities

The United States Government shall have the right to establish United States Military Post Offices at the sites for the exclusive use of the United States authorities, the members of the United States Forces, United States contractors, and those contractor personnel and their dependents who are nationals of the United States, for postal services between the United States Military Post Office so established and other United States Post Offices.

ARTICLE XIX

Security Legislation

The Government of Seychelles shall take such steps as may from time to time be agreed with the United States Government to be necessary with a view to the enactment of legislation to ensure the adequate security and protection of the facilities and United States equipment and other property and the operations of the United States under this Agreement, and the punishment of persons who may contravene any laws or regulations made for that purpose. The Government of Seychelles will also from time to time consult with the United States authorities in order that the laws and regulations of the United States of America and of Seychelles in relation to such matters may, so far as circumstances permit, be similar in character.

ARTICLE XX

Restriction of Rights

Neither the United States Government nor the United States authorities shall exercise any rights granted by this Agreement, or permit the exercise thereof, except for the purposes specified in this Agreement or as otherwise authorized by the Government of Seychelles.

ARTICLE XXI

Supplementary Arrangements

Supplementary arrangements between the appropriate authorities of the two Governments may be made from time to time as required, for the carrying out of the purposes of this Agreement.

ARTICLE XXII

Availability of Funds

It is understood that to the extent that the carrying out of the purposes of this Agreement will depend upon funds appropriated by the Congress of the United States, it is subject to the availability of such funds.

ARTICLE XXIII

Employment of Labor

1. a. Persons ordinarily resident in Seychelles shall be employed to the extent feasible in connection with construction, maintenance and repair work performed under this Agreement.
b. Persons ordinarily resident in Seychelles shall be employed on all other work performed under the Agreement whenever it appears that they are available and qualified.
2. In the fixing of terms of employment for contractors and workers, particularly in respect of wages and conditions of work, supplementary payments, insurance and conditions for the protection of workers, clubs and recreational facilities, full regard shall be given to employment practices generally obtaining for similar employment in Seychelles, and in no case shall the terms of employment for such workers be inferior to those laid down by any legislation in force in Seychelles or any International Convention, the provisions of which have been adopted by the United States Government and which apply to Seychelles.

ARTICLE XXIV

Duration

This Agreement shall enter into force upon signature by both Governments, and remain in effect for a period of ten years there-

after. During the first five years, it may be terminated by the United States Government upon one year's notice. Thereafter, it may be terminated by either Government on one year's notice.

Signed in duplicate at Victoria, Mahe, Seychelles this 29th day of June, 1976.

ANTHONY D MARSHALL

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

JAMES R MANCHAM

FOR THE GOVERNMENT OF THE REPUBLIC OF SEYCHELLES

}

CANADA

Torpedo Test Range: Strait of Georgia and Jervis Inlet

*Agreement effected by exchange of notes
Signed at Ottawa January 13 and April 14, 1976;
Entered into force April 14, 1976.*

*The American Ambassador to the Canadian Secretary of State for
External Affairs*

No. 9

Sir, I have the honour to refer to the Exchange of Notes between our two Governments of May 12, 1965, [¹] constituting an Agreement for the establishment, operation and maintenance of a torpedo test range in the Strait of Georgia. Recently there have been discussions in the Permanent Joint Board on Defense regarding the renewal of that Agreement and the inclusion of a provision in it for installing and utilizing an advanced underwater acoustic measurement system.

The 1965 Exchange of Notes provides that the Agreement will continue in force after the initial ten year period until terminated by either party in accordance with its provisions. However, in view of the desire of the United States to update existing range operating equipment and to install an advanced underwater acoustic measurement system at Jervis Inlet, it would seem appropriate at this time formally to renew the Agreement while making the necessary amendments to the Annex.

To accomplish these objectives I have the honour to propose that our two Governments agree to the continued operation and maintenance of the torpedo test range in the Strait of Georgia and, at the same time, authorize the installation and utilization of an advanced underwater acoustic measurement system at Jervis Inlet under the conditions set forth in the Annex to this Note. It is understood that the undertakings by either Government with regard to this matter shall be subject to the availability of funds.

If the conditions set forth in this Note and its Annex are acceptable to your Government, I have the honour to propose that this Note and your reply to that effect shall constitute an Agreement between our two Governments which shall enter into force on the date of your

¹TIAS 5805; 16 UST 753.

reply for a period of ten years and shall continue in force thereafter until terminated either by mutual agreement or as hereinafter provided.

Following the ten year period, if either Government concludes that the range, or any installations which are a part of it, are no longer required, and the other Government does not agree, the question of continuing need shall be referred to the Permanent Joint Board on Defence. In considering the question of need, the Board will take into account the relationship of the range to any other similar installation established in the mutual defence interests of the two countries. Following consideration by the Permanent Joint Board on Defence, either Government may decide that any installations which are a part of the range should be closed or that the Agreement should be terminated. Following twelve months' written notice of such a decision being given to the other Government, the installations shall be closed or the Agreement terminated, as the case may be. The arrangements set forth in paragraph 6 of the Annex regarding ownership and disposition of property shall apply.

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

Enclosure

THOMAS O. ENDERS

EMBASSY OF THE UNITED STATES OF AMERICA
OTTAWA, January 13, 1976

Annex

Conditions for the Operation and Maintenance of the Torpedo Test Range in the Strait of Georgia and Jervis Inlet

In this Annex, unless the context otherwise requires, "United States" means the Government of the United States; "Canada" means the Government of Canada; and "facility" means the torpedo testing range in the Strait of Georgia and Jervis Inlet including necessary supporting equipment and water craft as provided herein or as may be additionally agreed between the United States Navy and the Canadian Armed Forces.

1. Canadian Forces Station

The facility shall be a Canadian Forces station, and the Canadian Armed Forces shall be responsible for administration, security and operational control.

2. Sharing of the Facility

Available operating time of the facility shall be allotted equally between Canada and the United States unless otherwise agreed by the United States Navy and the Canadian Armed Forces. Either

Government may make arrangements for the other departments of their respective Governments, or civilian contractors working in the interests of that Government or a friendly foreign country to use such operating time allotted to it, subject to detailed arrangements to be made between the United States Navy and the Canadian Armed Forces.

3. Construction, Equipping and Cost-Sharing

The United States shall be responsible for the supply, installation and maintenance of the technical equipment required for the operation of the facility, for furnishing technical training necessary for the operation of this equipment, and for provision of such range craft (including crew) as may be agreed between the United States Navy and the Canadian Armed Forces, and for the costs thereof. The United States and Canada shall be jointly responsible for manning and operating the technical equipment. Canada shall be responsible for providing other shore-based personnel required to operate the facility and for the construction and maintenance of the necessary fixed facilities including buildings, roads, jetties, power and water supplies, and for provision of a target vessel and such other water craft (including crew) as may be agreed, and for the costs thereof. Except as provided above, the United States shall have the right to use the facility without charge.

4. Explosives

No explosives larger than scare charges shall be used.

5. Radio Installations

Arrangements respecting such technical radio communications matters as frequencies, types of emission and power, as well as the location of antenna masts and the question of their marking and lighting, shall be coordinated with the Department of Communications and the Ministry of Transport respectively through the Department of National Defence and shall be subject to the approval of the Department of Communications and the Ministry of Transport as appropriate.

6. Ownership and Disposal of Removable Property

(a) Ownership of all removable property brought into or purchased in Canada by the United States or its contractor and placed on the facility, including readily demountable structure, shall remain in the United States. Subject to sub-paragraph 6(b), the United States shall have the unrestricted right of the moving or disposing of such property, provided that the removal or disposition shall not impair the operation of any installations whose discontinuance has not been determined in accordance with the provisions of this agreement, and provided further that removal or disposition takes place within a reasonable time after the date on which the operation of the installation has been discontinued.

(b) The disposal in Canada of United States property imported into or purchased in Canada by the United States or its contractor for this facility and declared surplus to United States defense needs shall be in accordance with the provisions of the Exchange of Notes of August 28 and September 1, 1961.^[1]

7. Immigration and Customs Regulations

(a) Except as otherwise provided, the direct entry of United States personnel from outside Canada shall be in accordance with Canadian Customs and Immigration procedures which will be administered by local Canadian officials designated by Canada.

(b) Canada shall take the necessary steps to facilitate the admission into the territories of Canada of such United States citizens as may be employed in the construction, operation, or maintenance of the facility, it being understood that the United States will bear all the costs of repatriating any such persons found objectionable by Canada without any expense to Canada.

8. Taxes

Canada shall grant remission of customs duties and federal sales and excise taxes on goods imported, and of federal sales and excise taxes on goods purchased in Canada, which are or are to become the property of the United States and are to be used in the establishment, maintenance or operation of the facility. Canada shall also grant refund by way of drawback of the customs duty paid on goods imported by Canadian manufacturers and used in the manufacture or production of goods purchased by or on behalf of the United States in connection with the establishment, maintenance or operation of the facility.

9. Status of Forces

The agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces, signed at London on June 19, 1951,^[2] shall apply.

10. Supplementary Agreements and Administrative Arrangements

Supplementary agreements and administrative arrangements between the United States Navy and the Canadian Armed Forces may be made from time to time in further implementation of, and in conformity with, the provisions of this Agreement.

¹ TIAS 4841; 12 UST 1228.

² TIAS 2846; 4 UST 1792.

*The Canadian Secretary of State for External Affairs to the
American Ambassador*

Department of External Affairs



Ministère des Affaires étrangères

Canada

Ottawa, K1A OG2

No. DFR-1033

April 14, 1976

Excellency,

I have the honour to refer to your Note No. 9 of January 13, 1976 together with its Annex in which you propose that our two Governments agree to the continued operation and maintenance of the torpedo test range in the Strait of Georgia and authorize the installation and utilization of an advanced underwater acoustic measurement system at Jervis Inlet.

I am pleased to inform you that the proposals contained in your Note and the conditions set forth in the Annex thereto are acceptable to the Government of Canada. I can therefore confirm that your Note and this reply, which is equally authentic in English and French, shall constitute an Agreement between our two Governments on this matter which will enter into force on the date of this reply. It is understood that the present Agreement will supersede the Agreement between our two Governments concerning the torpedo test range concluded on May 12, 1965.

Accept, Excellency, the assurances of my highest consideration.

Allen MacEachen

Secretary of State for
External Affairs.

His Excellency Thomas O. Enders,
Ambassador of the United States of America,
Ottawa, K1P 5T1.

French Text of the Canadian Note

Department of External Affairs

Canada

Ministère des Affaires étrangères

Ottawa, K1A OG2

April 14, 1976

No. DPF-1033

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à votre Note no. 9 du 13 janvier 1976, accompagnée de son Annexe, dans laquelle vous proposez que nos deux Gouvernements conviennent de l'exploitation et de l'entretien permanents d'une zone d'essai des torpilles dans le détroit de Georgie, et autorisent l'établissement et l'exploitation d'un système avancé de mesure acoustique sous-marine dans l'anse Jervis.

Je suis heureux de vous informer que les propositions contenues dans votre Note et les conditions énoncées dans son Annexe agrément au Gouvernement du Canada. Je puis donc confirmer que votre Note et la présente réponse, dont les versions anglaise et française font également foi, constituent à ce sujet, entre nos deux Gouvernements, un Accord qui entre en vigueur à la date de la présente réponse. Il est convenu que le présent Accord remplace l'Accord intervenu le 12 mai 1965 entre nos deux Gouvernements concernant le zone d'essai des torpilles.

Veuillez agréer, Monsieur l' Ambassadeur, l'assurance de ma très haute considération.

Allan MacEachen
Le Secrétaire d'Etat aux
Affaires étrangères.

Son Excellence Monsieur Thomas O. Enders,
Ambassadeur des Etats-Unis d'Amérique,
Ottawa, K1P 5T1.

CANADA

Seismograph Station Near Kluane Lake, Yukon Territory

*Agreement extending the agreement of April 2 and May 9, 1974,
as extended.*

Effectuated by exchange of notes

*Dated at Ottawa July 14 and August 5, 1976;
Entered into force August 5, 1976.*

The American Embassy to the Canadian Department of External Affairs

No. 153

The Embassy of the United States of America presents its compliments to the Department of External Affairs and has the honor to refer to the Embassy Note No. 50 of April 2, 1974, and the Department's Note No. ECS/707 of May 9, 1974, agreeing to the installation and operation by the Geological Survey of the United States Department of the Interior of a short-period seismograph station near Kluane Lake in the Yukon territory. The Embassy also refers to its Note No. 130 of July 15, 1975, and the Department's response No. ECS/866 of August 13, 1975,[¹] agreeing to the extension of the agreement covering operation of the seismograph station until September 30, 1976.

The United States Geological Survey has advised that it wishes to continue operation of this seismograph station through September 1977. The Embassy has been informed that the counterpart agency in Canada of the Geological Survey, the Division of Seismology and Geothermal Studies of the Ministry of Energy, Mines and Resources, supports this request.

Accordingly, the Embassy has the honor to request that the agreement providing for operation of this seismograph station be extended for an additional one-year period through September 30, 1977, and to propose that this Note and the reply of the Department of External Affairs shall constitute an agreement between our two Governments to so extend this agreement subject to the same terms and conditions presently agreed to.

¹ TIAS 8137; 26 UST 1778.

The Embassy of the United States of America avails itself of this opportunity to renew to the Department of External Affairs the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA,
OTTAWA, *July 14, 1976.*

*The Canadian Department of External Affairs to the American
Embassy*

Department of External Affairs



Ministère des Affaires étrangères

Canada

RECEIVED

No. ECS-933

The Department of External Affairs presents its compliments to the Embassy of the United States of America and has the honour to refer to the latter's Note No. 153 dated July 14, 1976 concerning the extension of the agreement covering the operation of the seismograph station near Kluane Lake in the Yukon Territory.

The Department is pleased to state that the Canadian authorities agree to the extension of this agreement until September 30, 1977. The Department also wishes to inform the Embassy that the Earth Physics Branch of the Department of Energy, Mines and Resources in Ottawa wishes to continue receiving copies of the records and pertinent calibration data for retention approximately four to six weeks after being recorded.

The Department of External Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

OTTAWA, August 5, 1976.

CANADA

Long Range Patrol Aircraft

*Agreement effected by exchange of letters
Signed at Washington July 6 and 7, 1976;
Entered into force July 7, 1976.
With related note
Dated at Washington April 29, 1976.*

*The Canadian Minister to the Deputy Assistant Secretary
for Canadian Affairs*

JULY 7, 1976

Mr. J. RUSSELL MCKINNEY
Minister
Canadian Embassy
1746 Massachusetts Avenue N.W.
Washington, D.C. 20036

DEAR MR. MCKINNEY:

Thank you for your letter of July 6 asking whether the assurances embodied in the note of the Secretary of State dated April 29, 1976 with regard to the purchase by Canada of 18 Long-Range Patrol Aircraft from the Lockheed Aircraft Corporation would continue to obtain in the case of the modified purchase agreement now under consideration by the Government of Canada.

U.S. Government officials have not had the opportunity to review the detailed provisions of the modified Lockheed proposal. However, it is our understanding that the revised proposal is substantially the same as the earlier contract with regard to the capability being acquired, the general financial framework, and its cooperative production and offset arrangements.

We see no reason to modify the statement previously made in the note of April 29 that in the judgment of the United States prospects are favorable for Lockheed to continue as a viable corporation. Based on our understanding of the modified proposal, we can also reconfirm the general assurances given in that note as to U.S. facilitation of the Lockheed maritime patrol aircraft purchase and as to U.S. efforts to assure that in the event of Lockheed insolvency Canada will receive advantages and considerations no less favorable than those which might be obtained by the United States.

I hope this response fully meets your request.

Sincerely,

RICHARD D VINE
Richard D. Vine
*Deputy Assistant Secretary
for Canadian Affairs*

The Deputy Assistant Secretary for Canadian Affairs to the Canadian Minister

CANADIAN EMBASSY

AMBASSADE DU CANADA

1746 MASSACHUSETTS AVE., N.W.
WASHINGTON, D.C., 20036

JULY 6, 1976

DEAR MR. VINE,

I refer to the State Department's Note of April 29, 1976 which contained a statement of the United States Government's position on the purchase by Canada of eighteen Lockheed P-3 Long Range Patrol Aircraft and on the proposed contract between the Canadian Government and the Lockheed Aircraft Corporation.

As you know the Canadian Government is now considering a procurement from Lockheed involving eighteen LRPA, of which the configuration, delivery dates, financing arrangements, etc., are in some respects different from those contemplated in late April when we received your Note. In the light of this somewhat altered situation I have been asked to obtain confirmation that the statements contained in the Note of April 29 would continue to apply, and I should greatly appreciate it if you could provide me with a simple written statement to this effect as soon as possible.

Yours sincerely,

J R MCKINNEY

J. R. McKinney,
Minister

Mr. RICHARD D. VINE,
Deputy Assistant Secretary (EUR),
Department of State,
Washington, D.C.

[RELATED NOTE]

The Secretary of State presents his compliments to His Excellency the Ambassador of Canada and has the honor to provide the following statement of the United States Government's position on Canada's

intended purchase of eighteen Lockheed P-3 Long-Range Patrol Aircraft and on the proposed contract between the Canadian Government and the Lockheed Aircraft Corporation.

With respect to Lockheed's overall financial viability, its ability to continue as a corporation and to fulfill the terms of its proposed contract with the Canadian Government, the United States Emergency Loan Guarantee Board (ELGB) and the United States Department of Defense have recently reviewed Lockheed's financial position and have expressed confidence in Lockheed's prospects. The following factors are relevant:

1. Lockheed's financial projections appear to be realistic;
2. It appears that Lockheed will be able to pay back its \$195,000,000 guaranteed loan before the ELGB's statutory authority expires at the end of 1978;
3. Lockheed appears to be financially healthier than six months or one year ago;
4. While recent publicity regarding payments to foreign officials may have delayed the signing of new contracts by certain foreign governments, the United States Government is unaware of any contracts having been cancelled as a result of such publicity.
5. Approximately 60 percent of Lockheed's sales are to the United States Department of Defense. No significant reduction is anticipated in the volume of this procurement or the cash flow resulting from it.
6. L-1011 airline customers are beginning to report improved traffic and operating results after having experienced a very severe industry-wide recession.

All things considered, it is the present judgment of the United States Government that the prospects are favorable for Lockheed to continue as a viable corporation.

The United States Government shares with the Canadian Government a strong interest in the successful completion of the proposed Canadian procurement of eighteen Lockheed LRPA aircraft. In the view of the United States Government, the acquisition of these aircraft will substantially enhance Canada's ASW patrol capability, improve North American defense arrangements, contribute to NATO's overall security and thus is in the best interest of the United States. The proposed Canadian purchase will complement the purchase of a large number of Lockheed maritime patrol aircraft planned by the United States Government and should work to the mutual advantage of the two Governments.

In recognition of this mutuality of interest, the United States Government will facilitate the carrying out of the LRPA contract between the Lockheed Corporation and the Canadian Government. Towards this end the United States Government will facilitate, to the maximum extent permissible under United States law, the achieve-

ment of the Canadian industrial involvement provided for in the contract by:

1. permitting the rent-free use of United States Government production and research property subject to the normal terms and conditions governing such use,
2. permitting a shift in the manufacture of mutually-agreed selected components from the United States to Canada, and
3. agreeing to duty-free entry into the United States of Canada-manufactured components incorporated in P-3 type of aircraft sold by Lockheed to Canada or other countries.

If a situation were to occur under U.S. bankruptcy laws involving voluntary or involuntary reorganization or bankruptcy of Lockheed which might affect Lockheed's contract performance, the United States Government, recognizing that it is in its best interest to do so, will act with Canada in all matters relating to the Canadian LRPA contract to obtain for Canada advantages and considerations no less favorable than those that might be obtained by the United States with respect to performance of its own defense procurement contracts, in the following respects:

With Respect to Delivery:

In its determination to see that its aircraft and those of Canada are delivered expeditiously, the United States authorities will make every effort to ensure that all measures taken to obtain the production of P-3 and S-3 aircraft for the United States Navy will also be applied to maintain for Canada production of LRPA in accordance with its proposed contract with Lockheed, including an equitable dovetailing of the production of its P-3 aircraft and the Canadian LRPA to achieve delivery on a schedule as close as possible to that provided for in their respective contracts with Lockheed.

With Respect to Price:

In the event of a requirement to renegotiate the price of the Canadian LRPA the United States authorities will seek for Canada treatment no less favorable than that which the United States Department of Defense obtains with respect to its own defense procurement contracts. In this regard the United States authorities will endeavor to ensure that any renegotiation of the LRPA price will be based on direct costs and reasonable indirect costs and profits associated with subsequent production of the Canadian LRPA.

With Respect to Canadian Industrial Involvement:

The undertakings of the United States Government with regard to facilitating Canadian industrial involvement set out in the three numbered sub-paragraphs above, will continue to apply.

DEPARTMENT OF STATE,
WASHINGTON, April 29, 1976

CANADA

Scientific Cooperation: Support of United States Activities at the Churchill Research Range

Agreement extending the agreement of November 16 and December 18, 1970, as extended.

Effectuated by exchange of notes

Signed at Ottawa June 8 and July 30, 1976;

Entered into force July 30, 1976;

Effective July 1, 1976.

The American Ambassador to the Canadian Secretary of State for External Affairs

No. 120

OTTAWA, June 8, 1976

SIR:

I have the honor to refer to the Agreement between the Government of the United States of America and the Government of Canada and the recent discussions between representatives of our two Governments concerning the support of United States activities at the Churchill Research Range. This support was the subject of an exchange of notes with annex signed at Ottawa November 16 and December 18, 1970 as extended by an exchange of notes signed at Ottawa June 29, 1973.^[1]

By its terms and conditions the Agreement as amended will expire on June 30, 1976, unless extended for additional periods. Because of continued mutual interest of both countries in the research programs and accommodation of United States activities at the Range, I have the honor to propose that the Agreement be extended for an additional period of three years, that is, until June 30, 1979, unless terminated by either Government on three months' written notice to the other or unless extended for additional periods by mutual agreement of our two Governments.

If this proposal is acceptable to the Government of Canada, I have the further honor to propose that this note together with your affirma-

¹ TIAS 7024, 7686; 21 UST 2992; 24 UST 1776.

tive reply, constitute an agreement on this matter effective on the date of your reply.

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

THOMAS O. ENDERS

The Honorable

ALLAN MACBACHEN, P.C.,
*Secretary of State for
External Affairs,
Ottawa.*

*The Canadian Secretary of State for External Affairs to the
American Ambassador*

The Secretary of State for External Affairs Secrétaire d'État aux Affaires étrangères
Canada



Secrétaire d'État aux Affaires étrangères

OTTAWA, July 30, 1976.

No. ECS- 913

Excellency,

I have the honour to refer to your Note No. 120 of June 8, 1976, concerning the continued use of the Churchill Research Range by the United States for the purposes of sounding rocket launchings and other peaceful scientific activities.

I am pleased to inform you that the Government of Canada accepts the proposals set forth in your Note and agrees that your Note, together with this reply, which is authentic in English and French, shall constitute an agreement between our two Governments which shall enter into force today with effect from July 1, 1976 and remain in effect until June 30, 1979, unless terminated by either Government on three months' written notice to the other or unless extended for additional periods by mutual agreement of our two Governments.

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

Allan J. MacEachen [¹]
Secretary of State
for External Affairs

His Excellency Thomas O. Enders,
Ambassador of the United States
of America,
OTTAWA.

¹ Allan J. MacEachen

The French Text of Canadian Note

The Secretary of State for External Affairs
Canada

Secrétaire d'Etat aux Affaires extérieures

Canada

OTTAWA, le 30 juillet 1976

No. ECS-913

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à votre Note n° 120 du 8 juin 1976 concernant l'utilisation par les Etats-Unis du Polygone de recherche Churchill aux fins de lancement de fusées-dondes et d'autres activités scientifiques de caractère pacifique.

Je suis heureux de vous faire savoir que le Gouvernement du Canada approuve les propositions énoncées dans votre Note et accepte que votre Note, ainsi que la présente réponse dont les versions anglaise et française font également foi, constituent entre nos deux Gouvernements, un Accord qui entrera en vigueur aujourd'hui à compter le 1^{er} juillet 1976 et qui restera en vigueur jusqu'au 30 juin 1979, à moins que l'un ou l'autre des deux Gouvernements n'y mette fin par préavis écrit de trois mois donné à l'autre ou qu'il soit prorogé pour des périodes supplémentaires par voie d'accord mutuel entre nos deux Gouvernements.

Veuillez agréer, Monsieur l'Ambassadeur, les assurances renouvelées de ma très haute considération.

Le Secrétaire d'Etat aux
Affaires extérieures

Son Excellence Thomas O. Enders,
Ambassadeur des Etats-Unis
d'Amérique,
OTTAWA.

AFGHANISTAN
Agricultural Commodities

*Agreement signed at Kabul August 8, 1976;
Entered into force August 8, 1976.
With minutes of understanding
Signed at Kabul August 7, 1976.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF AFGHANISTAN FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Afghanistan.

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country) and the Republic of Afghanistan (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries:

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance, including efforts to meet their problems of food production and population growth;

Recognizing the policy of the exporting country to use its agricultural productivity to combat hunger and malnutrition in the developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage, and distribution of agricultural food products, including the reduction of waste in all stages of food handling;

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended¹] (hereinafter referred to as the Act), and the measures

¹ 80 Stat. 1526; 7 U.S.C. § 1701 *et seq.*

that the two Governments will take individually and collectively in furthering the above-mentioned policies;

Have agreed as follows:

PART I—GENERAL PROVISIONS

ARTICLE I

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this agreement.

B. The financing of the agricultural commodities listed in Part II of this agreement will be subject to:

1. the issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and
2. the availability of the specified commodities at the time of exportation.

C. Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary agreement, within 90 days after the effective date of such supplementary agreement. Purchase authorizations shall include provisions relating to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this agreement shall be made within the supply periods specified in the commodity table in Part II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Part II. The Government of the exporting country may limit the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require, so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Part II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting country requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the com-

modities be transported in United States flag vessels. The Government of the importing country shall have no obligation to reimburse the Government of the exporting country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

ARTICLE II

A. Initial Payment

The Government of the importing country shall pay, or cause to be paid, such initial payment as may be specified in Part II of this agreement. The amount of this payment shall be that portion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for initial payment in Part II and payment shall be made in United States dollars in accordance with the applicable purchase authorization.

B. Currency Use Payment

The Government of the importing country shall pay, or cause to be paid, upon demand by the Government of the exporting country in amounts as it may determine, but in any event no later than one year after the final disbursement by the Commodity Credit Corporation under this agreement, or the end of the supply period, whichever is later, such payment as may be specified in Part II of this agreement pursuant to Section 103(b) of the Act (hereinafter referred to as the Currency Use Payment). The currency use payment shall be that portion of the amount financed by the exporting country equal to the percentage specified for currency use payment in Part II. Payment shall be made in accordance with paragraph H and for purposes specified in Subsection 104 (a), (b), (e) and (h) of the act, as set forth in Part II of this agreement. Such payment shall be credited against (a) the amount of each year's interest payment due during the period prior to the due date of the first installment payment, starting with the first year, plus (b) the combined payments of principal and interest starting with the first installment payment, until the value of the currency use payment has been offset. Unless otherwise specified in Part II, no requests for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation of the exporting country under this agreement.

C. Type of Financing

Sales of the commodities specified in Part II shall be financed in accordance with the type of financing indicated therein. Special provisions relating to the sale are also set forth in Part II.

D. Credit Provisions

1. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of the dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the initial payment payable to the Government of the exporting country.

The principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

2. Interest on the unpaid balance of the principal due the Government of the exporting country for the commodities delivered in each calendar year shall be paid as follows:

- a. In the case of Dollar Credit, interest shall begin to accrue on the date of last delivery of these commodities in each calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary date of such date of last delivery and thereafter payment of interest shall be made annually and not later than the due date of each installment payment of principal.
- b. In the case of Convertible Local Currency Credit, interest shall begin to accrue on the date of dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in each calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment payment shall be due on the same date as the first installment and thereafter such interest shall be paid on the due dates of the subsequent installment payments.
3. For the period of time from the date interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

E. Deposit of Payments

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates provided for in this agreement as follows:

1. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two governments.

2. Payments in the local currency of the importing country (hereinafter referred to as local currency), shall be deposited to the account of the Government of the United States of America in interest bearing accounts in banks selected by the Government of the United States of America in the importing country.

F. Sales Proceeds

The total amount of the proceeds accruing to the importing country from the sale of commodities financed under this agreement, to be applied to the economic development purposes set forth in Part II of this agreement, shall be not less than the local currency equivalent of the dollar disbursement by the government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential), provided, however, that the sales proceeds to be so applied shall be reduced by the currency use payment, if any, made by the government of the importing country. The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the government of the importing country to private or non-governmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The government of the importing country shall furnish in accordance with its fiscal year budget reporting procedure, at such times as may be requested by the government of the exporting country but not less often than annually, a report of the receipt and expenditure of the proceeds, certified by the appropriate audit authority of the government of the importing country, and in case of expenditures the budget sector in which they were used.

G. Computations

The computation of the initial payment, currency use payment and all payments of principal and interest under this agreement shall be made in United States dollars.

H. Payments

All payments shall be in United States dollars or, if the Government of the exporting country so elects,

1. The payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the government of the exporting country for payment of its obligations or, in the case of currency use payments, used for the purposes set forth in Part II of this agreement; or
2. The payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G. of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations or, in the case of currency use payments, used for the purposes set forth in Part II of this agreement in the importing country.

ARTICLE III

A. World Trade

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this agreement as friendly countries). In implementing this provision the Government of the importing country shall:

1. insure that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the usual marketing table set forth in Part II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this agreement.
2. take steps to assure that the exporting country obtains a fair share of any increase in commercial purchases of agricultural commodities by the importing country.
3. take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, diversion in transit, transshipment or use is specifically approved by the Government of the United States of America).
4. take all possible measures to prevent the export of any commodity of either domestic or foreign origin, which is defined in Part II of this agreement, during the export limitation period specified in the export limitation table in Part II (except as may be specified in Part II or

where such export is otherwise specifically approved by the Government of the United States of America).

B. Private Trade

In carrying out the provisions of this agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively.

C. Self-Help

Part II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. Reporting

In addition to any other reports agreed upon by the two governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Part II, Item I of this agreement and any subsequent comparable period during which commodities purchased under this agreement are being imported or utilized.

1. the following information in connection with each shipment of commodities under the agreement: the name of each vessel; the date of arrival; the port of arrival; the commodity and quantity received; and the condition in which received.

2. a statement by it showing the progress made toward fulfilling the usual marketing requirements.

3. a statement of the measures it has taken to implement the provisions of Sections A. 2 and 3 of this Article; and

4. statistical data on imports by country of origin and exports by country of destination, of commodities which are the same as or like those imported under the agreement.

E. Procedures for Reconciliation and Adjustment of Accounts

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records on the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. Definitions

For the purposes of this agreement:

1. delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier.

2. import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country, and

3. utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country.

G. Applicable Exchange Rate

For the purposes of this agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate in effect on the date of payment by the importing country which is not less favorable to the Government of the exporting country than the highest exchange rate legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest exchange rate obtainable by any other nation. With respect to local currency:

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency.

2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first sentence of this section G.

H. Consultation

The two Governments shall, upon request of either of them, consult regarding any matter arising under this agreement, including the operation of arrangements carried out pursuant to this agreement.

I. Identification and Publicity

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity in the same manner as provided for in subsection 103(1) of the Act.

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)
Soybean/ Cottonseed Oil	1976 Plus July 1 through Septem- ber 30, 1976	4,000	\$2.6
TOTAL			\$2.6

ITEM II. Payment Terms:

Convertible Local Currency Credit:

1. Initial payment—5 percent.
2. Currency use payment—10 percent for Section 104(A) purposes.
3. Balance payable in installment of approximately equal annual amounts.
4. Number of installment payments 31.
5. Due date of first installment payment 10 years after date of last delivery of commodities in each calendar year.
6. Initial interest rate of 2 percent.
7. Continuing interest rate of 3 percent.

ITEM III. Usual Marketing Requirements:

<u>Commodity</u>	<u>Import Period</u> (U.S. Fiscal Year)	<u>Usual Marketing Requirements</u> (Metric Tons)
Edible Vegetable Oil and/or Oil-seeds (Oil Equivalent Basis)	1976 plus July 1 through September 30, 1976	7,300

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 1976 plus July 1 through September 30, 1976 or any other subsequent U.S. fiscal year during which commodities financed under this Agreement are being imported or utilized.

B. For the purpose of Part I, Article III A(4) of the Agreement, the commodities which may not be exported are: for soybean/cottonseed oil—all edible vegetable oils, including peanut oil, soybean oil, cottonseed oil, sunflower oil, sesame oil, rapeseed oil, and any other edible oil bearing seeds from which these oils are produced except for sesame seed.

ITEM V. Self-Help Measures:

A. In implementing self-help measures specific emphasis will be placed on contributing directly to development programs in poor rural areas and on enabling the poor to participate actively in increasing agricultural production through small farm agriculture.

B. The Government of the Republic of Afghanistan will implement programs to:

1. Improve and increase Afghanistan's wheat production by developing a national wheat management program which will include a national wheat reserve and a price stabilization system;
2. Improve husbandry practices through research and extension programs;
3. Develop quick-yielding small-scale irrigation projects including (A) exploration and exploitation of ground-water, and (B) successful completion of ongoing irrigation and drainage projects;

4. Expand and improve agricultural credit systems, particularly to the small farmer;
5. Strengthen quality controls of perishable products such as fruits and raisins for both domestic and export markets;
6. Improve the training and increase the number of qualified agricultural extension agents through the improvement and/or construction of agricultural schools in different parts of the country which would produce better trained agents who will particularly address small farmer production problems.

ITEM VI. Economic Development Purposes for 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 the Agreement and for the following agriculture and economic development sectors: Agriculture.

B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

PART III—FINAL PROVISIONS

A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

This Agreement shall enter into force upon signature.

B. IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement.

DONE at Kabul, in duplicate, this eighth day of August, 1976.

FOR THE GOVERNMENT OF THE
REPUBLIC OF AFGHANISTAN

By: ALI AHMAD KHURRAM

Name: Ali Ahmad Khurram
Title: *Minister of Planning*

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

By THEODORE L. ELIOT JR.

Name: Theodore L. Eliot, Jr.
Title: *The Ambassador of the
United States of America*

**Minutes of Understanding
Regarding the Fiscal Year 1976
PL 480, Title I Agreement of August 8, 1976**

The following operational aspects and implementation procedures applicable to this Agreement are:

(1) Commodities are to be purchased from private U.S. suppliers and actual prices are agreed upon between buyers and sellers (subject to price review by United States Department of Agriculture (USDA)).

(2) The Government of the Republic of Afghanistan (GOA) will designate one or more persons in the United States to consult with representatives of the Government of the United States of America (USG) to discuss the operation and procedures applicable to procurement, financing, reporting and ocean transportation, because of the complications involved in connection with the implementation of all the provisions of the agreement. This consultation must be completed before any purchase authorizations are issued.

(3) The GOA will designate individuals or agencies in the recipient country with whom representatives of the USG may consult regarding the implementation of the agreement such as (a) commodity arrival and off-loading information, (b) marking or identifying, (c) compliance with usual marketing requirements, (d) data relating to imports and exports, (e) carrying out self-help measures and (f) discussion of account figures.

(4) If services of a U.S. person or firm are required to handle procurement of the commodity and/or ocean transportation, such agent must be approved by the USDA. A copy of the written agreement between the authorized representative of the recipient government and the U.S. agent must be submitted to USDA for approval prior to the issuance of applicable purchase authorizations.

(5) The GOA agrees to the identification of commodities and publicity of agreement, arrivals, etc. as follows:

For the purpose of carrying out the intention of Section 103(1) of PL 480 and of Article III, Paragraph 1 of Part I of the Sales Agreement it is agreed that the two governments will cooperate in effecting publicity and identification of the commodities as follows:

(a) To the extent practicable, full press coverage, including photographs where possible, in national languages as well as English, will be given of the signing of the Sales Agreement, and any other publicity as deemed appropriate by the GOA and the USG.

(b) To the extent practicable, bags and containers used in transporting the commodities within Afghanistan will be marked as mutually agreed to show that the commodities were provided by the U.S. on a concessional basis.

(6) The usual marketing requirement (UMR) for each commodity is presumed to be the minimum quantity that would be imported through normal commercial channels in the absence of Title I sales agreement and therefore, must be imported commercially even though the full allotment under Title I is not utilized by the GOA.

(7) Purchases against the UMRs are to be financed by the GOA from its own resources. However, short-term commercial credit is available through the Commodity Credit Corporation (CCC) Export Credit Sales Program and this source of financing may be used to purchase the UMR. Commercial imports from countries that are not considered friendly to the U.S. and commodities imported as donations or grants received from the U.S. or other sources cannot be counted toward the UMRs.

(8) Should the USG authorize and finance deliveries of Title I commodities to extend beyond the supply period specified in Part II of the agreement, the GOA will be required to maintain the UMR again for the subsequent comparable period under this agreement. This subsequent UMR will apply towards the UMR established if there is any new agreement.

(9) The GOA is advised that if it fails to comply with the provisions of Part I, Article III A. 1, 2 or 3 of the agreement or fails to comply with any other requirement of the agreement this could result in withholding issuance of purchase authorizations and would be taken into account in consideration of new PL 480 agreements unless the situation is remedied. The remedy may take the form of dollar payment to the U.S. Government to the extent of the value of the violation or such other form as may be determined by the USG.

(10) The USG will take the following into consideration in determining the timing and terms and conditions of purchase authorizations: (a) availabilities of commodities, (b) crop years of USA and recipient country, (c) availability of ocean shipping space, (d) ability of recipient country to receive the commodity, (e) market implications and (f) the overall interest of the U.S. Government. Extensions of terminal contracting and delivery dates as a general rule are not made.

(11) Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplemental agreement. Purchase authorizations will require that invitations for bids for both commodity and freight must be submitted to Foreign Agriculture Service, USDA so that USDA may ensure that invitations do not contain terms or conditions which may be in conflict with purchase authorization terms and PL 480 financing regulations.

(12) The GOA understands that the Food for Peace Act (PL 480)¹ requires the agreement to provide for termination whenever the USG finds that the self-help program described in the agreement is not being

¹ 80 Stat. 1526; 7 U.S.C. § 1701 *et seq.*

adequately developed and that the USG may terminate the agreement in such a case under the termination clause.

(13) It is understood that the GOA will take into consideration PL 480 Section 103(o), so that U.S. commercial agriculture exports may share equitably in any increase in Afghanistan's market for commercial imports.

(14) The USG representatives reminded the GOA representatives of their responsibilities for timely submission of reports as required under the Agreement. The GOA is also reminded that the Annual Self-Help Report is due on December 1 each year. The USG representatives emphasized that the Annual Self-Help Report should be a comprehensive analytic report covering the current year and containing a record of specific self-help achievements.

(15) The GOA and the USG will modify retroactively Item IV of the Export Limitations provision of the PL 480, Title I Agreement of February 21, 1973 [1] by (a) eliminating sesame seed from the export limitation of Item IV (B), and (b) permitting the GOA to export sesame seed under Item IV (A) of the export limitations. This modification will be accomplished in the near future by a formal exchange of notes.

(16) The GOA has been requested to include data on the export of sesame seed in the quarterly compliance report even though sesame seed is specifically excluded from the export limitations of the agreement.

The above sets forth the understanding between the Government of the Republic of Afghanistan and the United States Government.

FOR THE GOVERNMENT OF THE
REPUBLIC OF AFGHANISTAN

By: ALI AHMAD KHURRAM

Name: Ali Ahmad Khurram
Minister of Planning

Date: August 7, 1976

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

By: THEODORE L. ELIOT JR.

Name: Theodore L. Eliot, Jr.
Title: *The Ambassador of the
United States of America*

Date: August 7, 1976

¹ TIAS 7793; 25 UST 245.

BRAZIL
Remote Sensing for Earth Resources

Agreements extending the agreement of April 6, 1973.

Effectuated by exchange of notes

Signed at Brasilia March 22 and 30, 1976;

Entered into force March 30, 1976.

And exchange of notes

Signed at Brasilia April 29 and 30, 1976;

Entered into force April 30, 1976.

The American Ambassador to the Brazilian Minister of Foreign Relations

No. 133

EXCELLENCY.

I have the honor to refer to discussions which have taken place between representatives of our two governments regarding the renewal of the agreement on remote sensing for earth resources [1] and the scheduling difficulties involved in negotiating a renewed agreement at this time. I have the honor to propose a one month extension of that agreement so that these negotiations may proceed.

I have the further honor to propose that if the foregoing is acceptable to your government this note, together with your reply, shall constitute an agreement between our two governments extending the agreement under reference until May 1, 1976.

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

JOHN HUGH CRIMMINS

EMBASSY OF THE UNITED STATES OF AMERICA

BRASILIA—March 22, 1976

¹ TIAS 7600; 24 UST 897.

The Brazilian Minister of Foreign Relations to the American Ambassador

MINISTERIO DAS RELAÇÕES EXTERIORES

DNU/29/692.21(B46)(B13)

Em 30 de MARCO de 1976.

SENHOR EMBAIXADOR,

Tenho a honra de acusar o recebimento da Nota de Vossa Exceléncia, de nº 133, datada de 22 de março de 1976, cujo teor é o seguinte:

“EXCELÊNCIA,

Tenho a honra de referir-me aos entendimentos que se têm verificado entre os representantes de nos sos dois Governos, no tocante à renovação do Acordo sobre sensoreamento remoto de recursos naturais e às dificuldades de prazo implícitas na negociação de um Acordo renovado neste momento. Tenho a honra de propor a prorrogação por um mês deste Acordo, de modo a que essas negociações possam continuar.

Tenho também a honra de propor que se o que precede for aceitável para o seu Governo, esta Nota, juntamente com a Nota de resposta de Vossa Exceléncia, constituam um Acordo entre nossos dois Governos, prorrogando o Acordo em apreço até 1º de maio de 1976.”

2. Em resposta, informo Vossa Exceléncia de que o Governo brasileiro concorda com que a Nota de Vossa Exceléncia, de 22 de março de 1976, e a presente Nota constituam acordo entre nossos dois Governos no tocante à prorrogação durante o mês de abril de 1976 do acordo concluído pela República Federativa do Brasil e pelos Estados Unidos da América, por troca de notas em Washington a 6 de abril de 1973.

Aproveito a oportunidade para renovar a Vossa Exceléncia os protestos da minha alta estima e consideração.

A. F AZEREDO DA SILVEIRA

A Sua Exceléncia o Senhor

JOHN HUGH CRIMMINS,

*Embaixador Extraordinário e Plenipotenciário da
Embaixada dos Estados Unidos da America.*

Translation

MINISTRY OF FOREIGN RELATIONS

DN J/29/692.21(B46)(B13)

MARCH 30, 1976

MR. AMBASSADOR:

I have the honor to acknowledge receipt of Your Excellency's note No. 133 of March 22, 1976, which reads as follows:

[For the English language text, see p. 3753.]

In reply, I inform Your Excellency that the Brazilian Government agrees that Your Excellency's note of March 22, 1976, and this note shall constitute an agreement between our two Governments concerning the extension through April 1976 of the agreement concluded by the Federative Republic of Brazil and the United States of America by an exchange of notes in Washington on April 6, 1973.

I avail myself of this opportunity to renew to Your Excellency the assurances of my high esteem and consideration.

A. F AZEREDO DA SILVEIRA

The American Ambassador to the Brazilian Minister of Foreign Relations

No. 186

EXCELLENCY:

I have the honor to refer to the negotiations recently held between representatives of our two governments regarding the renewal of the Agreement on Remote Sensing for Earth Resources and to our recent exchange of Notes which extended the above referenced Agreement until May 1, 1976. I have the honor to propose an additional extension of the Agreement until May 15, 1976, to allow for the conclusion of these negotiations.

I have the further honor to propose that if the foregoing is acceptable to your government, this Note, together with your reply, shall constitute an agreement between our two governments extending the Agreement under reference until May 15, 1976.

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

JOHN HUGH CRIMMINS

EMBASSY OF THE UNITED STATES OF AMERICA
BRASILIA—April 29, 1976

The Brazilian Ministry of Foreign Relations to the American Embassy

MINISTÉRIO DAS RELAÇÕES EXTERIORES

DNU/38/910.31(B46)(B13)

O Ministério das Relações Exteriores cumprimenta a Embaixada dos Estados Unidos da América e tem a honra de acusar recebimento da sua nota nº 186, de 29 de abril do corrente ano, cuja redação é a seguinte:

“Tenho a honra de reportar-me às negociações recentemente realizadas entre representantes de nossos dois Governos, atinentes à renovação do Acordo sobre Sensoreamento Remota de Recursos Terrestres; e à nossa recente troca de notas, que prorrogou o mencionado Acordo até 1º de maio de 1976. Agora tenho a honra de propor uma prorrogação adicional do Acordo até 15 de maio de 1976, de modo a permitir a conclusão dessas negociações.

Ademais tenho a honra de propor que se o que precede for aceitável para o seu Governo, a presente nota, juntamente com sua resposta, constituam acordo entre nossos dois Governos, prorrogando o Acordo em apreço até 15 de maio de 1976.”

2. Em resposta, o Ministério das Relações Exteriores informa a Embaixada dos Estados Unidos da América que o Governo brasileiro concorda com que a nota da Embaixada, nº 186, de 29 de abril passado, acima transcrita, e a presente nota constituam acordo entre o Governo da República Federativa do Brasil e o Governo dos Estados Unidos da América, no tocante à prorrogação, até 15 de maio próximo, do acordo concluído por troca de notas em Washington, a 6 de abril de 1973.

BRASÍLIA, em 30 de abril de 1976.

Translation

MINISTRY OF FOREIGN RELATIONS

DNU/38/910.31(B46)(B13)

The Ministry of Foreign Relations presents its compliments to the Embassy of the United States of America and has the honor to acknowledge receipt of its note No. 186 of April 29, 1976, which reads as follows:

[For the English language text, see p. 3755.]

In reply, the Ministry of Foreign Affairs informs the Embassy of the United States of America that the Brazilian Government agrees that the Embassy's note No. 186 of April 29, 1976, transcribed above, and this note shall constitute an agreement between the Government of the Federative Republic of Brazil and the Government of the United States of America, concerning the extension until May 15, 1976, of the agreement concluded by an exchange of notes in Washington on April 6, 1973.

[Signature]

BRASILIA, April 30, 1976

MEXICO

Trade: Meat Imports

*Agreement effected by exchange of notes
Signed at México and Tlatelolco April 26 and June 11, 1976;
Entered into force June 11, 1976.*

*The American Chargé d'Affaires ad interim to the Mexican
Secretary of Foreign Relations*

Embassy of the
United States of America
Mexico, D. F.

April 26, 1976

No. 648

Excellency:

I have the honor to refer to discussions between representatives of our two governments relating to the importation into the United States for consumption of fresh, chilled, or frozen cattle meat (item 106.10 of the Tariff Schedules of the United States) and fresh, chilled or frozen meat of goats and sheep, except lambs (item 106.20 of the Tariff Schedules of the United States) during the calendar year 1976 and to the agreements between the United States and other countries, constituting the 1975 restraint program concerning shipments of such meats to the United States. With the understanding that similar agreements also will be concluded for the calendar year 1976 with governments of other countries that participated in the 1975 restraint program and which continue to export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. On the basis of the foregoing, and subject to paragraph 4, the permissible total quantity of imports of such meats into the United States during the calendar year 1976 from countries participating in the restraint program shall be 1,155.0 million pounds, and the Government of Mexico and the Government of the United States of America shall respectively undertake responsibilities as set forth below for

His Excellency
Licenciado Alfonso García Robles
Secretary of Foreign Relations
Tlalocloco, D. F.

regulating exports to, and imports into, the United States.

2. The Government of Mexico shall limit the quantity of such meats exported from Mexico as direct shipments on a through bill of lading to the United States in such a manner that the quantity entered, or withdrawn from warehouse, for consumption during the calendar year 1976 does not exceed 60.0 million pounds, or such higher figures as may result from adjustments pursuant to paragraph 4.

3. The Government of the United States of America may limit to 60.0 million pounds the quantity of imports of such meats of Mexican origin, whether by direct or indirect shipments, through issuance of regulations governing the entry, or withdrawal from warehouse, for consumption in the United States, provided that, with respect to imports which are direct shipments from Mexico: (A) Such regulations shall not be employed to govern the timing within calendar year 1976 of entry or withdrawal from warehouse for consumption of such meat from Mexico; and (B) Such regulations shall be issued after consultation with the Government of Mexico pursuant to paragraph 5 and only in circumstances where it is evident that the quantity of such meat likely to be presented for entry or withdrawal from warehouse for consumption in the calendar year 1976 will exceed the quantity specified in paragraph 2. It is understood that United States Customs statistics of entries, or withdrawals from warehouse, for consumption will be used for purposes of this agreement. Such statistics shall not include meats which have been refused entry because of failure to meet appropriate standards prescribed pursuant to the Federal Meat Inspection [1] Act, as amended, and such meats will not be regarded as part

¹ 81 Stat. 584; 21 U.S.C. § 601 note.

of the quantity described in paragraph 2.

4. The Government of the United States of America may increase the permissible total quantity of imports of such meats into the United States during the calendar year 1976 from countries participating in the restraint program or may allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not participating in the restraint program. Thereupon, if no shortfall is estimated for Mexico, such increase or estimated shortfall shall be allocated to Mexico in the proportion that 60.0 million pounds bears to the total initial shares from all countries participating in the restraint program which are estimated to have no shortfall for the calendar year 1976. The foregoing allocation procedure shall not apply to any increase in the estimate of imports from countries not participating in the 1976 restraint program.

5. The Government of Mexico and the Government of the United States of America shall consult promptly upon the request of either government regarding any matter involving the application, interpretation or implementation of this agreement, and regarding any increase in the total quantity of imports from Mexico permissible under the restraint program including allocation of any shortfall.

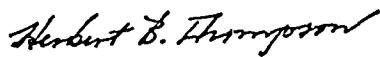
6. In the event that quotas on imports of such meats should become necessary, the representative period used by the Government of the United States of America for calculation of the quota for Mexico shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975 and 1976, except by the agreement of the Government of Mexico.

7. (A) To enable both governments to follow progress under this agreement, the Government of the United States of America shall provide to the Government of Mexico as soon as possible after the end of each week Customs statistical information concerning imports of such meats from all supplying countries.

(B) As soon as possible after the end of each month the Government of Mexico shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1976, ship by ship and port by port, based on actual loadings in Mexico.

I have the honor to propose that, if the foregoing is acceptable to the Government of Mexico, this note together with your Excellency's confirmatory reply constitute an agreement between our two governments which shall enter into force on the date of your reply.

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



Herbert B. Thompson
Chargé d'Affaires, a. i.

*The Mexican Secretary of Foreign Relations to the American
Ambassador*

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D. F., a 11 de junio de 1976.

Señor Embajador:

506676 Tengo el agrado de acusar recibo de la aten-
ta nota de Vuestra Excelencia 648, fechada el 26 de abril
de 1976, cuyo texto vertido al español es el siguiente:

"Tengo el honor de referirme a las conversaciones entre representantes de nuestros dos Gobiernos relacionadas con las importaciones a los Estados Unidos, para consumo, de carne fresca, refrigerada o congelada de ganado vacuno (rubro 106.10 del Cuadro de Aranceles de los Estados Unidos) y carne fresca, refrigerada o congelada de ganado caprino y ovino, salvo corderos (rubro 106.20 del Cuadro de Aranceles de los Estados Unidos) durante el año civil de 1976, y a los acuerdos entre los Estados Unidos y otros países, que constituyen el programa de restricciones de 1975 en relación con los envíos de tales carnes a los Estados Unidos. Con el entendimiento de que acuerdos similares se concertarán también para el año civil de 1976 con los Gobiernos de otros países que participaron en el programa de restricciones para 1975 y que continúan exportando cantidades sustanciales de carne a los Estados Unidos. tengo el honor de proponer el siguiente acuerdo entre nuestros dos Gobiernos:

1. Con base en lo anterior, y con sujeción a lo indicado en el párrafo 4, la cantidad total permitida de

importaciones

A Su Excelencia
Joseph John Jova,
Embajador de los
Estados Unidos de América,
México, D. F.

importaciones de tales carnes a los Estados Unidos durante el año civil de 1976, procedentes de países que participen en el programa de restricciones será de 1,155.0 millones de libras y el Gobierno de México y el Gobierno de los Estados Unidos de América asumirán respectivamente las responsabilidades que se indican a continuación para reglamentar las exportaciones e importaciones a los Estados Unidos.

2. El Gobierno de México limitará la cantidad de tales carnes exportadas de México como envíos directos con conocimiento de embarque a los Estados Unidos en una forma tal que la cantidad para la entrada o salida de almacén, para consumo, durante el año civil de 1976, no excederá 60.0 millones de libras o la cifra más alta que resultare de los ajustes en virtud del párrafo 4.

3. El Gobierno de los Estados Unidos de América podrá limitar a 60.0 millones de libras la cantidad de importaciones de tales carnes cuyo origen es mexicano, bien sea en envíos por vía directa o indirecta, por medio de la promulgación de reglamentos que gobiernen la entrada o salida de almacén de las carnes para consumo en los Estados Unidos, disponiéndose que, con relación a importaciones que sean en envíos director de México: (A) Tales reglamentos no se emplearán para gobernar durante el año civil de 1976 las fechas o momentos de entrada o salida de almacén para el consumo de tales carnes de México; y (B) Tales reglamentos se promulgarán después de que se hayan celebrado consultas con el Gobierno de México, conforme al párrafo 5, y solamente bajo circunstancias en las que es obvio que la cantidad de tales carnes que probablemente se presentará para su entrada o salida de almacén para el consumo en el año civil de 1976 excederá la cantidad que se especifica en el párrafo 2. Tiéngase entendido que a los fines de este acuerdo serán empleadas las estadísticas de las Aduanas de los Estados Unidos correspondientes a entradas o salidas de almacén para el consumo. Tales estadísticas no incluirán las carnes a las que se hubiere negado entrada por no satisfacer normas apropiadas prescritas de conformidad con la Ley Federal de Inspección

de Carnes, según fue enmendada, y tales carnes no se considerarán parte de la cantidad descrita en el párrafo 2.

4. El Gobierno de los Estados Unidos de América podrá aumentar la cantidad total permitida de importaciones de tales carnes a los Estados Unidos durante el año civil de 1976 de países que participen en el programa de restricciones o podrá adjudicar cualquier déficit calculado en una parte de la cantidad del programa de restricciones o en los cálculos iniciales de importaciones de países que no participen en el programa de restricciones. Seguidamente, si no se ha calculado un déficit para México, tal aumento o déficit calculado será adjudicado a México en la proporción que 60.9 millones de libras guardan con el total de participaciones iniciales de todos los países participantes en el programa de restricciones y que se calculan no tendrán déficit en el año civil de 1976. El procedimiento de adjudicación anterior no se aplicará a cualesquier aumentos en el cálculo de importaciones de países que no participen en el programa de restricciones para el año de 1976.

5. El Gobierno de México y el Gobierno de los Estados Unidos de América celebrarán consultas lo antes posible después de que uno de los Gobiernos las solicite, en relación con cualquier asunto sobre la aplicación, interpretación o puesta en práctica del presente acuerdo, y sobre cualquier aumento de la cantidad total de importaciones de México permitidas conforme al programa de restricciones, inclusive la adjudicación de cualquier déficit.

6. En el caso en que sea necesario implantar cuotas para las importaciones de tales carnes, el período representativo que el Gobierno de los Estados Unidos de América empleará para calcular la cuota de México no incluirá el período entre el 10. de octubre de 1968 y el 30 de junio de 1972 o los años de 1975 y 1976, excepto por acuerdo del Gobierno de México.

7. (A) Con el fin de que ambos Gobiernos puedan mantenerse informados sobre el progreso logrado en el marco del presente Acuerdo, el Gobierno de los Estados Unidos de América proporcionará al Gobierno de México lo antes posible después del fin de cada semana, informa-

ción estadística aduanera relativa a las importaciones de tales carnes provenientes de todos los países proveedores.

(B) Lo antes posible después del fin de cada mes, el Gobierno de México proporcionará al Gobierno de los Estados Unidos de América detalles sobre llegadas programadas hasta el 31 de diciembre de 1976, barco por barco y puerto de entrada por puerto de entrada, con base en los embarques reales de México.

Tengo el honor de proponer que si lo anterior es aceptable para el Gobierno de México, la presente nota, junto con la nota de respuesta de Vuestra Excelencia, confirmando lo antedicho constituyan un Acuerdo entre nuestros dos Gobiernos que entrará en vigor en la fecha de la respuesta de Vuestra Excelencia."

En respuesta, tengo el agrado de comunicar a Vuestra Excelencia que mi Gobierno acepta la propuesta antes transcrita y, por lo tanto, está de acuerdo en considerar que dicha nota y la presente, constituyen un Acuerdo entre los Estados Unidos Mexicanos y los Estados Unidos de América, el cual entrará en vigor el día de hoy.

Aprovecho la oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta y distinguida consideración.



Translation

UNITED MEXICAN STATES
DEPARTMENT OF FOREIGN RELATIONS
MEXICO

No. 506676

TLATELOLCO, D.F., *June 11, 1976*

MR. AMBASSADOR:

I take pleasure in acknowledging receipt of Your Excellency's note No. 648 dated April 26, 1976, which translated into Spanish reads as follows:

[For the English language text, see pp. 3759-3762.]

In reply, I am gratified to inform Your Excellency that my Government accepts the foregoing proposal and therefore agrees that the aforesaid note and this reply shall constitute an agreement between the United Mexican States and the United States of America which shall enter into force today.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

ALFONSO GARCÍA ROBLES

His Excellency

JOSEPH JOHN JOVA,
Ambassador of the
United States of America,
Mexico, D.F.

TIAS 8392'

BRAZIL

Remote Sensing for Earth Resources

Agreement effected by exchange of notes

Signed at Brasilia May 26, 1976;

Entered into force May 26, 1976.

With memorandum of understanding and related letters

Signed at Brasilia May 14, 1976.

The American Ambassador to the Brazilian Minister of External Relations

No. 217

BRASILIA, May 26, 1976

EXCELLENCY:

I have the honor to refer to the Memorandum of Understanding between the Brazilian Commission for Space Activities (COBAE) and the United States National Aeronautics and Space Administration (NASA) Concerning Cooperation in Remote Sensing dated May 14, 1976. I have the further honor to inform Your Excellency that the Government of the United States of America confirms the provisions of the Memorandum of Understanding referred to above.

If the Government of the Federative Republic of Brazil would also confirm the provisions of the Memorandum of Understanding, I propose that my Note and Your Excellency's reply to that effect shall constitute an agreement between our two governments regarding this matter which will enter into force on the date of Your Excellency's reply and shall remain in force for two years.

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

JOHN HUGH CRIMMINS

His Excellency

Ambassador ANTONIO FRANCISCO AZEREDO DA SILVEIRA

Minister of External Relations

Brasilia, D.F.

The Brazilian Minister of External Relations to the American Ambassador

MINISTERIO DAS RELAÇOES EXTERIORES

DNU/DAI/49/692.214(B46)(B13)

EM 26 DE MAIO DE 1976.

SENHOR EMBAIXADOR,

Tenho a honra de acusar recebimento da sua nota de 217 de 26 de maio de 1976, cujo texto é o seguinte:

"EXCELÊNCIA,

Tenho a honra de reportar-me ao Memorando de Entendimento entre a Comissão Brasileira de Atividades Espaciais (COBAE) e a Agência Nacional de Aeronáutica e Espaço (NASA), dos Estados Unidos, relativo à cooperação em sensoreamento remoto, datado de 14 de maio de 1976. Tenho também a honra de informar a Vossa Excelênciia que o Governo dos Estados Unidos da América confirma os dispositivos do Memorando de Entendimento acima mencionado.

Caso o Governo da República Federativa do Brasil também confirme os dispositivos do Memorando de Entendimento, proponho que minha nota e a resposta resposta de Vossa Excelênciia constituam um acordo entre nossos dois Governos com relação à matéria, o qual entrará em vigor na data da resposta de Vossa Excelênciia e permanecerá em vigor por dois anos".

2. Em resposta, informo Vossa Excelênciia de que o Governo brasileiro igualmente aprova os dispositivos do Memorando de Entendimento acima mencionado, e concorda com que a nota de Vossa Excelênciia, datada de 26 de maio de 1976, acima transcrita, e a presente nota constituam Acordo entre nossos dois Governos sobre a matéria.

Aproveito a oportunidade para renovar a Vossa Excelênciia os protestos da minha mais alta consideração.

A. F. AZEREDO DA SILVEIRA

A Sua Excelênciia o Senhor

JOHN HUGH CRIMMINS,

*Embaixador Extraordinário e Plenipotenciário dos
Estados Unidos da América.*

Translation

MINISTRY OF EXTERNAL RELATIONS

DNU/DAI/49/692.214(B46)(B13)

MAY 26, 1976

MR. AMBASSADOR:

I have the honor to acknowledge receipt of your note No. 217 of May 26, 1976, which reads as follows:

TIAS 8393

[For the English language text, see p. 3768.]

In reply, I hereby inform Your Excellency that the Brazilian Government also approves the provisions of the above-mentioned Memorandum of Understanding and agrees that your note dated May 26, 1976, transcribed above, and this note shall constitute an agreement between our two Governments regarding this matter.

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

A. F. AZEREDO DA SILVEIRA

His Excellency

JOHN HUGH CRIMMINS,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.*

Memorandum of Understanding Between the Brazilian Commission for Space Activities (COBRAE) and the United States National Aeronautics and Space Administration (NASA)

1. The purposes of this agreement are to provide continuation of the collaborative experimental program in the field of remote sensing surveys of earth resources between COBRAE and NASA and to set forth the responsibilities of the parties and the procedures for providing for (a) direct access, by a ground station in operation in Brazil by the Institute for Space Research (INPE) of the Brazilian National Council on Scientific and Technological Development (CNPq), to NASA LANDSAT-1 and LANDSAT-2 satellite data and to the data from any future LANDSAT experimental satellites which NASA may launch, and (b) availability to NASA of data acquired by the station pursuant to (a) above, subject to the provisions which follow COBRAE hereby designates INPE through CNPq as the Brazilian operational agency

2. For its part, COBRAE and the operational agency, CNPq/INPE, will use their best efforts to

(a) Continue to operate INPE ground station facilities at Cuiabá and Cachoeira Paulista for acquisition and processing of LANDSAT data as well as other non-space data of interest to the CNPq/INPE entirely at its own cost, including the cost of the necessary communication links with the NASA LANDSAT Operations Control Center/NASA Data Processing Facility (OCC/NDPF) at the Goddard Space Flight Center.

(b) Provide, as described below, processed data (imagery and digital products) to LANDSAT Principal Investigators duly selected

by NASA whose test sites are in range of the Brazilian data acquisition station for the period of coverage promised to them and under the same conditions as NASA provides data to Principal Investigators. Should another country in the region operate LANDSAT facilities, COBAE's obligation to provide data to Principal Investigators in that country will terminate as soon as these facilities are capable of providing this service. CNPq/INPE will continue to serve Principal Investigators in countries within range of the Cuiabá station which do not operate LANDSAT facilities unless and until alternative arrangements are concluded.

(c) Provide, to the best of its ability, any support requested by NASA in a spacecraft emergency condition, such as the provision of data indicated in paragraph 2(e) below should the on-board tape recorders fail.

(d) Provide quarterly reports in English to NASA on the progress and results of the CNPq/INPE experimental program with respect especially to the ability to apply data and analysis obtained to real-time decision making, and the principal applications made.

(e) Make available to NASA, on a cost-free basis and in the NASA-preferred format (negative imagery format with identifying annotation), such copies of the LANDSAT data it acquires and processes as NASA may request in reasonable quantities (except in emergency conditions as noted in paragraph 2(c) above). These data provided to NASA by CNPq/INPE will be made available to the public from US sources on precisely the same terms as data acquired directly by NASA. These provisions apply as well to selected duplicate computer compatible tapes. Public requests for data are covered in item 5(f). Coordination among other facilities operating under agreement with NASA would be highly desirable. CNPq/INPE may consider the possibility of processing data acquired by other stations in Latin America at their request and at costs to be established.

(f) Include as output data from the Cachoeira Paulista station computer compatible tapes and 70mm or 9 inch roll film.

3. For its part, NASA will use its best efforts to:

(a) Program LANDSAT-1, LANDSAT-2 and any subsequent experimental LANDSAT-type satellite to acquire data over areas accessible for direct read-out by the Brazilian station. The frequency of such programming will be subject to mutual agreement by the Project Managers (see below).

(b) Provide to CNPq/INPE orbital elements for calculating the antenna pointing angles necessary to acquire the LANDSAT spacecraft transmitted signal and for use in processing the data acquired.

(c) Make available, for comparison purpose, a limited number of selected NASA data tapes covering portions of the area accessible to the Cuiabá station.

(d) Keep CNPq/INPE informed of other prospective LANDSAT ground station facilities in the area so that regional coordination can be effected.

4. To implement this agreement and continuation of the program, CNPq/INPE and NASA will each designate a Project Manager to be responsible for coordinating the agreed functions and responsibilities of each side with the other. The Project Managers will be co-chairmen of a Joint Working Group which will be the principal instrument for assuring the execution of the project and for keeping both sides continuously informed of the project status. The Joint Working Group may establish such committees as required to carry out the project.

5. The following additional understandings are confirmed.

(a) CNPq/INPE will resolve any radio frequency difficulties in the region to the satisfaction of the parties concerned so this cooperation can proceed without difficulty

(b) The responsibility for spacecraft control, health and status will remain with NASA throughout the program.

(c) This agreement assures CNPq/INPE access to LANDSAT-1 and/or LANDSAT-2 without charge until 30 June 1976. It is understood, however, that NASA will thereafter, after consultation with COBRAE, introduce a cost-sharing arrangement, such as a user's fee, which has been generally established for participating ground stations.

(d) It is understood at this stage that NASA cannot make a firm commitment regarding the launching of future LANDSAT-type satellites.

(e) Decisions taken by the International Telecommunications Union require that radio frequencies for future operational LANDSAT-type satellites will differ from those currently used for experimental satellites.

(f) For the purposes of this agreement it is understood that CNPq/INPE and other Brazilian Government Agencies participating in the program will pursue a policy of dissemination of LANDSAT data comparable to the dissemination policy maintained by NASA and the other US agencies participating in the program. CNPq/INPE will thus ensure unrestricted public availability of all earth resources satellite data of areas within range of the Brazilian ground station at charges similar to the price schedule to be established by the EROS Data Center, and will provide, on the same basis as NASA, processed LANDSAT data required by Principal Investigators as selected under the NASA LANDSAT Investigations Program, and whose test sites are in range of Brazil's ground station.

(g) Catalog listings of LANDSAT data processed by the Cachoeira Paulista station as well as ground station tape recorder logs will be provided to NASA on a monthly basis. Also NASA will use its best efforts to advise CNPq/INPE of requests received at the EROS Data Center for data on Brazil.

(h) Training and exchange of technical personnel will take place as mutually agreed.

(i) CNPq/INPE and NASA will freely share and exchange technical information as mutually agreed and consistent with the export regulations of the two countries.

(j) It is understood that this project is experimental in character and subject to change in accordance with changes in technical requirements and opportunities.

(k) CNPq/INPE and NASA may each release general information to the public regarding the conduct of their own portion of the project as desired and, insofar as participation of the other agency is concerned, after suitable coordination.

(l) CNPq/INPE and NASA will assure that the project is appropriately recorded in still and motion picture photography and that this photography is made available to the other agency upon request for public information purposes.

(m) It is understood that the ability of CNPq/INPE and NASA to carry out the responsibilities of this agreement is subject to the availability of appropriated funds.

6. It is understood that the availability of data under any of the above paragraphs shall not prejudice any rights and obligations of the parties under international law which may be established in the future with respect to remote sensing activities.

7. This Memorandum of Understanding shall continue in force for two years, subject to extension as may be agreed by COBRAE and NASA.

8. This Memorandum of Understanding shall enter into force upon an exchange of notes between the Governments confirming its provisions.

ANTONIO JORGE CORREA

JOHN HUGH CRIMMINS

FOR THE BRAZILIAN COMMISSION FOR SPACE ACTIVITIES
(COBRAE)

FOR THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

14 de maio de 1976

Date

May 14, 1976

Date

Intervention:

JOSE DION DE MELO TELES

FOR THE NATIONAL COUNCIL ON
SCIENTIFIC AND TECHNOLOGICAL
DEVELOPMENT (CNPq)

[RELATED LETTERS]

EMBASSY OF THE
UNITED STATES OF AMERICA
- BRASILIA, BRAZIL

MAY 14, 1976

Dr. JOSÉ DION DE MELO TELES

President

*National Council on Scientific and Technological
Development*

*Setor Bancário Sul, Edifício Seguradoras
Bloco B, 9º andar
Brasília, D.F.*

DEAR DR. DION:

With respect to the Memorandum of Understanding between the Brazilian Commission for Space Activities (COBAE) and the United States National Aeronautics and Space Administration (NASA), concluded today, I have the honor to confirm the following additional understanding:

Pursuant to paragraph 5 (c), consultations have been held between COBAE and NASA concerning a cost-sharing arrangement. As a result of these consultations, a LANDSAT users fee in the amount of \$200,000 per station per year will go into effect on July 1, 1976. Payments will be made by CNPq/INPE to NASA quarterly in the amount of \$50,000, at the end of each quarter.

The first such payment, due September 30, 1976, shall be deferred until the end of the second quarter. CNPq/INPE will therefore make a combined first and second quarter payment to NASA in the amount of \$100,000 by December 31, 1976.

With respect to paragraph 5 (g), I wish to advise the following:

Pursuant to the second sentence of this paragraph, NASA will use its best efforts to provide CNPq/INPE with information on the character and frequency of requests to the EROS Data Center for data on Brazil.

I would appreciate your response accepting the foregoing understandings.

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

Sincerely,

JOHN HUGH CRIMMINS

John Hugh Crimmins

Ambassador

*For the National Aeronautics
and Space Administration (NASA)*

CONSELHO NACIONAL
DE DESENVOLVIMENTO
CIENTIFICO E TECHNOLOGICO

0110.5066 .J76

BRASILIA, May 14, 1976

To

H.E. The Ambassador Extraordinary and Plenipotentiary
of the United States of America
Mr. JOHN HUGH CRIMMINS
American Embassy
Av. das Nações, Lote 3
Brasilia, DF.

DEAR MR. AMBASSADOR,

I have that honor to refer to your letter of today's date and confirm the understanding concerning the cost sharing arrangement to take effect between CNPq/INPE and NASA on July 1, 1976, pursuant to paragraph 5 (c) of the memorandum of understanding concluded today.

I also wish to advise that CNPq/INPE has noted and accepts NASA's explanation concerning the implementation of its undertaking set forth in paragraph 5 (g) of the memorandum of understanding.

Let me take this opportunity to renew the assurances of my highest consideration.

Sincerely yours,

JOSÉ DION DE MELO TELES
José Dion de Melo Teles
President

COSTA RICA

Trade: Meat Imports

*Agreement effected by exchange of notes
Signed at San José April 23 and August 6, 1976;
Entered into force August 6, 1976.*

The American Ambassador to the Costa Rican Minister of Foreign Relations

No. 64

SAN JOSÉ, April 23, 1976

EXCELLENCY.

I have the honor to refer to discussions between representatives of our two Governments relating to the importation into the United States for consumption of fresh, chilled, or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States) and fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States) during the calendar year 1976 and to the Agreements between the United States and other countries, constituting the 1975 Restraint Program concerning shipments of such meats to the United States. With the understanding that similar Agreements also will be concluded for the calendar year 1976 with Governments of other countries that participated in the 1975 Restraint Program and which continue to export substantial quantities of meat to the United States, I have the honor to propose the following Agreement between our two Governments:

1. On the basis of the foregoing, and subject to paragraph 4, the permissible total quantity of imports of such meats into the United States during the calendar year 1976 from countries participating in the Restraint Program shall be 1155.0 million pounds, and the Government of Costa Rica and the Government of the United States of America shall respectively undertake responsibilities as set forth below for regulating exports to, and imports into, the United States.

2. The Government of Costa Rica shall limit the quantity of such meats exported from Costa Rica as direct shipments on a Through Bill of Lading to the United States in such a manner that the quantity entered, or withdrawn from warehouse, for consumption during the calendar year 1976 does not exceed 53.7 million

pounds, or such higher figures as may result from adjustments pursuant to paragraph 4.

3. The Government of the United States of America may limit to 53.7 million pounds the quantity of imports of such meats of Costa Rican origin, whether by direct or indirect shipments, through issuance of regulations governing the entry, or withdrawal from warehouse, for consumption in the United States, provided that, with respect to imports which are direct shipments from Costa Rica. (A) Such regulations shall not be employed to govern the timing within calendar year 1976 of entry or withdrawal from warehouse for consumption of such meat from Costa Rica, and (B) such regulations shall be issued after consultation with the Government of Costa Rica pursuant to paragraph 5 and only in circumstances where it is evident that the quantity of such meat likely to be presented for entry or withdrawal from warehouse for consumption in the calendar year 1976 will exceed the quantity specified in paragraph 2. It is understood that United States Customs statistics of entries, or withdrawals from warehouse for consumption, will be used for purposes of this Agreement. Such statistics shall not include meats which have been refused entry because of failure to meet appropriate standards prescribed pursuant to the Federal Meat Inspection Act, as amended,^[1] and such meats will not be regarded as part of the quantity described in paragraph 2.

4. The government of the United States of America may increase the permissible total quantity of imports of such meats into the United States during the calendar year 1976 from countries participating in the Restraint Program or may allocate any estimated shortfall in a share of the Restraint Program quantity or in the initial estimates of imports from countries not participating in the Restraint Program. Thereupon, if no shortfall is estimated for Costa Rica, such increase or estimated shortfall shall be allocated to Costa Rica in the proportion that 53.7 million pounds bears to the total initial shares from all countries participating in the Restraint Program which are estimated to have no shortfall for the calendar year 1976. The foregoing allocation procedure shall not apply to any increase in the estimate of imports from countries not participating in the 1976 Restraint Program.

5. The Government of Costa Rica and the Government of the United States of America shall consult promptly upon the request of either Government regarding any matter involving the application, interpretation or implementation of this Agreement, and regarding any increase in the total quantity of imports from Costa Rica permissible under the Restraint Program including allocation of any shortfall.

6. In the event that quotas on imports of such meats should become necessary, the representative period used by the Govern-

¹ 81 Stat. 584, 21 U.S.C. § 601 note.

ment of the United States of America for calculation of the quota for Costa Rica shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975 and 1976, except by the Agreement of the Government of Costa Rica.

7 To enable both Governments to follow progress under this Agreement, the Government of the United States of America shall provide to the Government of Costa Rica as soon as possible after the end of each week Customs statistical information concerning imports of such meats from all supplying countries. As soon as possible after the end of each month the Government of Costa Rica shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1976, ship by ship and port by port, based on actual loadings in Costa Rica.

I have the honor to propose that, if the foregoing is acceptable to the Government of Costa Rica, this Note together with Your Excellency's confirmatory reply constitute an Agreement between our two Governments which shall enter into force on the date of your reply.

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

TERENCE A. TODMAN

The Costa Rican Minister of Foreign Relations to the American Ambassador



REPUBLICA DE COSTA RICA
MINISTERIO DE RELACIONES EXTERIORES Y CULTO

Dirección General
de Política Exterior
No. 82.820 PE

San José, 6 de agosto de 1976

Excelentísimo señor.

Tengo el honor de contestar la nota de
Vuestra Excelencia No. 64 de 23 de abril del año en curso
que dice:

"Tengo el honor de referirme a las conversaciones
entre representantes de nuestros dos gobiernos re-
lacionadas con las importaciones a los Estados
Unidos, para consumo de carne fresca, refrigerada
o congelada de ganado vacuno (rubro 106.10 del
cuadro de aranceles de los Estados Unidos) y carne
fresca, refrigerada o congelada de ganado caprino
y ovino, salvo corderos (rubro 106.20 del cuadro
de aranceles de los Estados Unidos) durante el año
civil de 1976, y a los acuerdos entre los Estados
Unidos y otros países, que constituyen el programa
de restricciones de 1975 en relación con los envíos
de tales carnes a los Estados Unidos. Con el enten-
dimiento de que acuerdos similares se concertarán
también para el año civil de 1976 con los gobiernos
de otros países que participaron en el programa de
restricciones para 1975 y que continúan exportando
cantidades substanciales de carne a los Estados Uni-
dos, tengo el honor de proponer el siguiente acuer-
do entre nuestros dos gobiernos.

Excelentísimo señor
Terence A. Todman
Embajador de los Estados Unidos de América
Ciudad

1.- Con base en lo anterior, y con sujeción a lo indicado en el párrafo 4, la cantidad total permitida de importaciones de tales carnes a los Estados Unidos durante el año civil de 1976, procedentes de países que participen en el programa de restricciones será de 1155.0 millones de libras y el Gobierno de Costa Rica y el Gobierno de los Estados Unidos de América asumirán respectivamente las responsabilidades que se indican a continuación para reglamentar las exportaciones e importaciones a los Estados Unidos.

2.- El Gobierno de Costa Rica limitará la cantidad de tales carnes exportadas de Costa Rica como envíos directos con conocimiento de embarque a los Estados Unidos en una forma tal que la cantidad para la entrada o salida de almacén, para consumo, durante el año civil de 1976, no excederá 53.7 millones de libras o la cifra más alta que resultare de los ajustes en virtud del párrafo 4.

3.- El Gobierno de los Estados Unidos de América podrá limitar a 53.7 millones de libras la cantidad de importaciones de tales carnes cuyo origen es Costa Rica, bien sea en envíos por vía directa o indirecta, por medio de la promulgación de reglamentos que gobiernen la entrada o salida de almacén de las carnes para consumo en los Estados Unidos, disponiéndose que, con relación a importaciones que sean envíos directos, de Costa Rica:

(A) tales reglamentos no se emplearan para gobernar durante el año civil de 1976 las fechas o momentos de entrada o salida de almacén para el consumo de tales carnes de Costa Rica; y (B) tales reglamentos se promulgaran después de que se hayan celebrado consultas con el Gobierno de Costa Rica conforme al párrafo 5, y solamente bajo circunstancias en las que es obvio que la

cantidad de tales carnes que probablemente se presentará para su entrada o salida de almacén para el consumo en el año civil de 1976 excederá la cantidad que se especifica en el párrafo 2. Tiéndese entendido que a los fines de este acuerdo serán empleadas las estadísticas de las aduanas de los Estados Unidos correspondientes a entradas o salidas de almacén para el consumo. Tales estadísticas no incluirán las carnes a las que se hubiere negado entrada por no satisfacer normas apropiadas prescritas de conformidad con la ley federal de inspección de carnes, según fue enmendada, y tales carnes no se considerarán parte de la cantidad descrita en el párrafo 2.

4.- El Gobierno de los Estados Unidos de América podrá aumentar la cantidad total permitida de importaciones de tales carnes a los Estados Unidos durante el año civil de 1976 de países que participen en el programa de restricciones o podrá adjudicar cualquier déficit calculado en una parte de la cantidad del programa de restricciones o en los cálculos iniciales de importaciones de países que no participen en el programa de restricciones. Seguidamente, si no se ha calculado un déficit para Costa Rica, tal aumento o déficit calculado será adjudicado a Costa Rica en la proporción que 53.7 millones de libras guardan con el total de participaciones iniciales de todos los países participantes en el programa de restricciones y que se calcula no tendrán déficit en el año civil de 1976. El procedimiento de adjudicación anterior no se aplicará a cualesquiera aumentos en el cálculo de importaciones de países que no participen en el programa de restricciones para el año de 1976.

5.- El Gobierno de Costa Rica y el Gobierno de los Estados Unidos de América celebrarán consultas lo antes posible después de que uno de los gobiernos las solicite.

te, en relación con cualquier asunto sobre la aplicación, interpretación o puesta en práctica del presente acuerdo, y sobre cualquier aumento de la cantidad total de importaciones de Costa Rica permitidas conforme al programa de restricciones, inclusive la adjudicación de cualquier déficit.

6.- En el caso en que sea necesario implantar cuotas para las importaciones de tales carnes, el período representativo que el Gobierno de los Estados Unidos de América empleará para calcular la cuota de Costa Rica no incluirá el período entre el de octubre de 1968 y el 30 de junio de 1972 o los años civiles de 1975 y 1976, excepto por acuerdo del Gobierno de Costa Rica.

7.- Con el fin de que ambas Gobiernos puedan mantenerse informados sobre el progreso logrado en el marco del presente acuerdo, el Gobierno de los Estados Unidos de América proporcionará al Gobierno de Costa Rica lo antes posible después del fin de cada semana, información estadística aduanera relativa a las importaciones de tales carnes provenientes de todos los países proveedores. Lo antes posible después del fin de cada mes, el Gobierno de Costa Rica proporcionará al Gobierno de los Estados Unidos de América detalles sobre llegadas programadas hasta el 31 de diciembre de 1976, barco por barco y puerto de entrada por puerto de entrada, con base en los embarques reales en Costa Rica.

Tengo el honor de proponer que si lo anterior es aceptable para el Gobierno de Costa Rica, la presente nota, junto con la nota de respuesta de Vuestra Excelencia confirmando lo antedicho constituyan un acuerdo entre nuestros dos gobiernos que entrará en vigor en la fecha de la respuesta de Vuestra Excelencia."

Me es grato comunicar la conformidad del Gobierno de Costa Rica con la propuesta arriba transcrita. En consecuencia la nota de Vuestra Excelencia y la presente constituyen un acuerdo entre nuestros dos Gobiernos que entrará en vigor en esta fecha.

Aprovecho la oportunidad para reiterar al Excelentísimo señor Embajador las seguridades de mi distinguida consideración.


G. J. Faccio
Gonzalo J. Faccio
Ministro de Relaciones Exteriores

TIAS 8394

Translation

REPUBLIC OF COSTA RICA
MINISTRY OF FOREIGN RELATIONS AND WORSHIP
OFFICE OF THE DIRECTOR GENERAL OF FOREIGN POLICY

No. 82820 PE

SAN JOSÉ, August 6, 1976

EXCELLENCY.

I have the honor to reply to Your Excellency's note No. 64 of April 23, 1976, which reads as follows:

[For the English language text, see pp. 3776-3778.]

I am pleased to inform you that the Government of Costa Rica is in agreement with the proposal transcribed above. Accordingly, Your Excellency's note and this one shall constitute an agreement between our two Governments which shall enter into force on today's date.

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

GONZALO S. FACIO

Gonzalo S. Facio

Minister of Foreign Relations

His Excellency

TERENCE A. TODMAN,

*Ambassador of the United States of America,
San José.*

HAITI

Trade in Cotton, Wool and Man-Made Fiber Textiles and Textile Products

Agreement amending the agreement of March 22 and 23, 1976.

Effectuated by exchange of notes

Dated at Washington September 14, 1976;

Entered into force September 14, 1976.

The Acting Secretary of State to the Haitian Ambassador

SEPTEMBER 14, 1976

EXCELLENCY:

I have the honor to refer to the bilateral agreement on trade in cotton, wool and man-made fiber textiles of March 22 and 23, 1976,^[1] between our two Governments (the Agreement). I have further the honor to refer to recent discussions between representatives of our two Governments in Washington, D.C. As a result of these discussions, I propose that the Agreement be amended as follows:

1. In paragraph 3, under Group II, delete:

Category 238	4,600,000
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and insert:

Category 238	5,600,000
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2. In paragraph 7, under the listing of annual consultation levels, delete:

237	2,000,000
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and insert:

237	1,000,000
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If the foregoing proposal is acceptable to your Government, this note and your note of acceptance on behalf of the Government of the Republic of Haiti shall constitute an amendment to the Agreement between our two Governments.

¹ TIAS 8268; *ante*, p. 1595.

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

For the Acting Secretary of State:

JULIUS L. KATZ

His Excellency

GEORGES SALOMON,
Ambassador of Haiti.

*The Haitian Embassy to the Department of State*AMBASSADE D'HAITI
WASHINGTON

AW/46-611

THE EMBASSY OF HAITI IN WASHINGTON presents its compliments to the State Department of the United States and has the honor to inform that the Government of Haiti gives its full acceptance to the following Amendments to the Bilateral Textile Agreement of March 22, 1976, agreed upon during the consultation meetings held in Washington on August 12, 1976 and covered by Note from the State Department dated September 14, 1976.

ARTICLE 2.

Limit (Square yard equivalent)

GROUP 11 Man made fiber Textiles 47.000.000
and apparels (categories
200-243).

Specific Limit

Category 238 5.600.000 (instead of 4.600.000)

ARTICLES 7.Category 237 Consultation level
1.000.000 (instead 2.000.000)

THE EMBASSY OF HAITI is grateful for the attention given to this request and avails itself of this opportunity to renew to the State Department of the United States the assurance of its highest consideration.

Washington, D.C., September 14, 1976


[SEAL]HONORABLE DEPARTMENT OF STATE OF THE UNITED STATES OF AMERICA
WASHINGTON, D.C.

**BERMUDA
Oil Pollution**

*Agreement signed at Hamilton July 13, 1976;
Entered into force July 13, 1976.*

AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE
GOVERNMENT OF BERMUDA
CONCERNING ASSISTANCE TO BE RENDERED ON A
REIMBURSABLE BASIS
BY THE UNITED STATES COAST GUARD

The Government of the United States of America and the Government of Bermuda have agreed as follows :

Article 1

In the event of a major discharge of oil in the waters of Bermuda or on the high seas in circumstances which could result in significant pollution damage to the waters and coastal areas of Bermuda, the Government of Bermuda may request the assistance of the Government of the United States in removing such oil and in minimizing and mitigating related damage. The request may be made by written communication or through rapid communication methods. If the request is made by other than written communication, it shall be confirmed by written communication delivered to the Government of the United States within 24 hours of the request. Upon receipt of such a request the Government of the United States may make available to the Government of Bermuda the services, including personnel and facilities, of agencies of the Government of the United States capable of providing the assistance requested in accordance with the provisions of this Agreement.

Article 2

The Government of the United States may provide assistance to the Government of Bermuda pursuant to this Agreement only to the extent that the personnel and facilities of the competent United States agencies are not otherwise committed.

Article 3

The personnel and facilities of the Government of the United States made available to the Government of Bermuda pursuant to this Agreement shall at all times remain under the control and direction of the Government

of the United States. To the extent practicable the activities of the personnel and facilities of the Government of the United States shall be coordinated with the activities of the personnel and facilities of Bermuda in order to achieve the maximum possible effectiveness and efficiency.

Article 4

The Government of Bermuda shall reimburse the Government of the United States for all costs incurred by the Government of the United States relating to the use of personnel and facilities of the Government of the United States provided pursuant to this Agreement. This reimbursement shall be made within one hundred and twenty days after receipt by the Government of Bermuda of an itemized statement of such costs provided by the Government of the United States.

Article 5

The Government of Bermuda shall release and forever discharge the Government of the United States, its agencies, officers and employees from any and all claims and causes of action arising out of the activities provided by the Government of the United States pursuant to this Agreement. The Government of Bermuda shall defend, indemnify, and hold forever harmless the Government of the United States, its agencies, officers and employees, against any and all claims and causes of action in the courts of Bermuda or the United States which hereafter at any time are made or instituted for the purpose of pursuing or enforcing a claim for damages resulting from the aforesaid activities.

Article 6

The Government of Bermuda shall facilitate the landing and activities of any personnel and facilities of the Government of the United States necessary, in the opinion of the Government of the United States, to provide assistance in response to a request made pursuant to Article 1 of this Agreement.

Article 7

Questions of jurisdiction with respect to personnel of the United States provided in response to a request made pursuant to Article 1 of this Agreement shall be determined in accordance with the provisions of the Agreement between the Government of the United States of America and the Government of the United Kingdom relating to Leased Bases, signed at London on 27 March 1941, as modified by an Exchange of Notes at Washington dated 19 July and 1 August 1950. [1]

Article 8

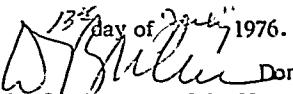
This Agreement shall enter into force upon signature and shall remain in force until terminated as provided in Article 9 below.

Article 9

This Agreement may be terminated at any time by the agreement of the Government of the United States and the Government of Bermuda. Alternatively, it may be terminated, except for Article 4 and 5 thereof, by either Government upon notice given 60 days in advance of such termination to the other Government. In the latter case, unless otherwise agreed, Articles 4 and 5 of the Agreement shall remain in force until executed.

In witness whereof the undersigned, being duly authorised thereto, have signed this Agreement.

Done in duplicate at Hamilton, Bermuda this


13th day of July 1976.
Donald B. McCue
For the Government of the United States of America


John W. Swan
For the Government of Bermuda

¹EAS 235, TIAS 2105, 55 Stat. 1560; 1 UST 585.

MEXICO

Weather Stations

Agreement extending the agreement of July 31, 1970, as amended and extended.

Effectuated by exchange of notes

Dated at México and Tlatelolco June 15 and July 12, 1976;

Entered into force September 28, 1976.

The American Embassy to the Mexican Secretariat of Foreign Relations

No. 955

The Embassy of the United States of America presents its compliments to the Secretariat of Foreign Relations and has the honor to refer to the various agreements concerning the Cooperative Meteorological Observation Program between the United States of America and the United States of Mexico, the most recent of which was effected by an exchange of notes signed at Mexico and Tlatelolco September 3rd, 1974.^[1] In accordance with the aforementioned exchange of notes, the Agreement, and annexed Memorandum of Arrangement, remain in effect until July 31st, 1976.

The Government of the United States of America intends to propose several minor amendments to this Memorandum of Arrangement in the near future. Until our two governments have had an opportunity to consult on the proposed amendments, the Embassy of the United States of America proposes that the present Agreement be extended from July 31st, 1976 until December 31st, 1976.

The Embassy avails itself of this opportunity to renew to the Secretariat of Foreign Relations the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA,
Mexico, D.F., June 15, 1976.

¹ TIAS 6941, 7927, 21 UST 1978, 25 UST 2450.

The Mexican Secretary of Foreign Relations to the American Ambassador

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

507761

TLATELOLCO, D.F., a 12 de julio de 1976.

SEÑOR EMBAJADOR:

Tengo el honor de referirme a los diversos acuerdos relativos al Programa de Cooperación en Materia de Observación Meteorológica entre los Estados Unidos Mexicanos y los Estados Unidos de América, el más reciente efectuado por Canje de Notas fechadas en México, D.F., el 3 de septiembre de 1974. De acuerdo con lo mencionado en el Canje de Notas, el Acuerdo y el Memorándum de Entendimiento anexo, estarán en vigor hasta el 31 de julio de 1976.

Tomando en consideración que el Gobierno de los Estados Unidos de América ha manifestado su deseo de prorrogar el mencionado Acuerdo del 31 de julio al 31 de diciembre de 1976, me complace informar a Vuestra Excelencia que el Gobierno de los Estados Unidos Mexicanos acepta la prórroga de referencia, en el entendimiento de que la misma surtirá efectos a partir de la fecha en que Vuestra Excelencia acuse recibo de la presente notificación.

Aprovecho la oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta y distinguida consideración.

A GARCIA R

Al Excentísimo Señor
JOSEPH JOHN JOVA,
*Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América,
México, D.F.*

Translation

UNITED MEXICAN STATES
DEPARTMENT OF FOREIGN RELATIONS
MEXICO

TLATELOLCO, D.F., July 12, 1976

MR. AMBASSADOR:

I have the honor to refer to the various agreements concerning the Cooperative Meteorological Observation Program between the United Mexican States and the United States of America, the most recent of which was effected by an exchange of notes at Mexico, D.F., on September 3, 1974. As provided in the exchange of notes, the Agree-

ment and the annexed Memorandum of Arrangement will remain in force until July 31, 1976.

Taking into consideration the stated desire of the Government of the United States of America to extend the aforementioned Agreement from July 31 to December 31, 1976, I take pleasure in informing Your Excellency that the Government of the United Mexican States accepts that extension, with the understanding that it will enter into force on the date on which you acknowledge receipt of this notification.^[1]

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

A GARCIA R

His Excellency

JOSEPH JOHN JOVA,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Mexico, D.F*

¹ Sept. 28, 1976.

MULTILATERAL

Aviation: Joint Financing of Certain Air Navigation Services in Greenland and the Faroe Islands and in Iceland

Agreement amending the agreements done at Geneva September 25, 1956, as amended.

Adopted by the Council of the International Civil Aviation Organization at Montreal June 14, 1976; Entered into force June 14, 1976.

INTERNATIONAL CIVIL
AVIATION ORGANIZATION
ORGANIZACIÓN DE AVIACIÓN
CIVIL INTERNACIONAL



ORGANISATION DE L'AVIATION
CIVILE INTERNATIONALE
МЕЖДУНАРОДНАЯ ОРГАНИЗАЦИЯ
ГРАЖДАНСКОЙ АВИАЦИИ

P. O. BOX 400, SUCCURSALLE, PLACE DE L'AVIATION INTERNATIONALE,
1000 SHERBROOKE STREET WEST, MONTREAL, QUÉBEC, CANADA H3A 2H2

CABLES ICAO MONTREAL
TELEX 02-24513
CENTREX
OFFICE TEL

Ref.: EC 8/66.5) - 76/116
EC 8/67.5)

16 July 1976

Subject: a) Increase in Article V cost limit
of the 1956 JF Danish Agreement for the year 1976;
and b) increase in personnel, pursuant to
Article XIII, para. 2 of the 1956 JF Icelandic
Agreement for the year 1976.

Action required: To note

The Secretary General of the International Civil Aviation Organization
presents his compliments and has the honour to state that the Council, at its Third
Meeting, 88th Session, took the following action:

a) Pursuant to the second sentence of Article V of the Danish Agreement:

Unanimous consent of the Contracting Governments having been
obtained, the Council hereby increases the limit in Article V
of the Agreement on the Joint Financing of Certain Air

[1]
Navigation Services in Greenland and the Faroe Islands (Doc 7726-JS/563) to US \$5 983 906, this limit to apply to
Denmark's actual costs under the Agreement for the year 1976.

b) Pursuant to Article XIII, paragraph 2 (b) of the Icelandic Agreement:

Unanimous consent of the Contracting Governments having been
obtained, the Council, pursuant to Article XIII, paragraph 2 (b)
of the Agreement on the Joint Financing of Certain Air

[2]
Navigation Services in Iceland (Doc 7727-JS/564) hereby
includes; for the year 1976, additional services under
said Agreement amounting to 13 421 505 Icelandic Krónur.

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¹ TIAS 4049, 8122; 9 UST 798; 26 UST 1630.

² TIAS 4048, 8122; 9 UST 719; 26 UST 1632.

JAPAN

Whaling: International Observer Scheme

Agreement respecting the agreement of May 2, 1975.

Effectuated by exchange of notes

Signed at Tokyo April 9, 1976;

Entered into force April 9, 1976.

*The American Minister-Counselor for Economic and Commercial Affairs
to the Japanese Director-General, Economic Affairs Bureau, Ministry
of Foreign Affairs*

TOKYO, JAPAN

APRIL 9, 1976

SIR,

With reference to the Agreement between the United States of America and Japan concerning an International Observer Scheme for Whaling Operations from Land Stations in the North Pacific Ocean, signed at Tokyo on May 2, 1975,[¹] I wish to propose on behalf of the Government of the United States of America that the provisions of the Agreement shall be applied until March 31, 1977.

I also wish to propose that if the said proposal is acceptable to the Government of Japan, the present note and your note in reply indicating such acceptance shall be regarded as constituting an agreement between the two Governments, which will enter into force on the date of your reply.

Yours sincerely,

JACK B. BUTTON

Jack B. Button
*Minister-Counselor for
Economic and Commercial Affairs*

Mr. MORIYUKI MOTONO,
*Director-General,
Economic Affairs Bureau,
Ministry of Foreign Affairs,
Tokyo*

¹ TIAS 8088; 26 UST 1009.

諾したこと並びに貴官の書簡及びこの返簡がこの返簡の日付の日に効力を生ずる両政府間の合意を構成するものとみなすことに同意することを貴官に通報いたします。

千九百七十六年四月九日に東京で

日本国外務省經濟局長

本野盛孝

敬具

日本国駐在アメリカ合衆国公使

ジャック・B・バットン 殿

The Japanese Director-General, Economic Affairs Bureau, Ministry of Foreign Affairs, to the American Minister-Counselor for Economic and Commercial Affairs

拝啓

本官は、本日付けの貴官の次の書簡を受領したことを見認いたします。

本官は、千九百七十五年五月二一日に東京で署名された北太平洋における鯨体処理場による捕鯨のための国際監視員制度に関する日本国とアメリカ合衆国との間の協定に関し、同協定の規定が千九百七十七年三月三十一日まで適用されるものとすることをアメリカ合衆国政府に代わつて提案いたしました。

本官は、更に、前記の提案が日本国政府にとつて受諾し得るものであるときは、この書簡及び受諾を表明する貴官の返簡が貴官の返簡の日付の日に効力を生ずる両政府間の合意を構成するものとみなすことを提案いたします。

本官は、日本国政府がアメリカ合衆国政府の前記の提案を受

TIAS 8399

Translation

TOKYO, April 9, 1976

SIR,

This is to acknowledge the receipt of your note of today's date, which reads as follows:

"With reference to the Agreement between the United States of America and Japan concerning an International Observer Scheme for Whaling Operations from Land Stations in the North Pacific Ocean, signed at Tokyo on May 2, 1975, I wish to propose on behalf of the Government of the United States of America that the provisions of the Agreement shall be applied until March 31, 1977.

"I also wish to propose that if the said proposal is acceptable to the Government of Japan, the present note and your note in reply indicating such acceptance shall be regarded as constituting an agreement between the two Governments, which will enter into force on the date of your reply."

I wish to inform you that the Government of Japan has accepted the said proposal of the Government of the United States of America and agrees that your 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.

Yours sincerely,

MORIYUKI MOTONO

Moriyuki Motono
Director-General,
Economic Affairs Bureau,
Ministry of Foreign Affairs,
Tokyo

Mr. JACK B. BUTTON
Minister-Counselor for
Economic and Commercial Affairs,
Embassy of the United States of America,
Tokyo

CANADA

Space Cooperation: Remote Manipulator System

*Agreement effected by exchange of notes
Signed at Washington June 23, 1976;
Entered into force June 23, 1976.
With memorandum of understanding
Signed July 9 and 18, 1975.*

The Acting Secretary of State to the Canadian Ambassador

DEPARTMENT OF STATE
WASHINGTON

JUNE 23, 1976

EXCELLENCY:

I have the honor to refer to the Memorandum of Understanding between the National Aeronautics and Space Administration of the United States of America and the National Research Council of Canada for a Cooperative Program concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System which was signed for the National Research Council of Canada on July 18, 1975, (hereinafter referred to as the "Memorandum of Understanding").

Article XVIII of the Memorandum of Understanding provides, *inter alia*, that it shall enter into force upon confirmation of the Memorandum of Understanding by an exchange of notes between our two governments.

In consideration of the very productive and mutually beneficial cooperation which has existed between our two countries for many years in space projects, I have the honor to inform you that the Government of the United States of America confirms the provisions contained in the Memorandum of Understanding between the National Aeronautics and Space Administration of the United States of America and the National Research Council of Canada. It is recognized that the endeavor constitutes an important Canadian contribution to the development of space technology.

The Memorandum of Understanding provides that the National Research Council of Canada and the National Aeronautics and Space Administration will carry out design reviews from time to time and

will agree on specific design requirements. Any such agreement upon specific design requirements will be recorded in a subsidiary document between the National Research Council of Canada and the National Aeronautics and Space Administration.

It is understood that the provision or transfer of any technology, hardware, or technical assistance between Canada and the United States of America pursuant to the Memorandum of Understanding will be subject to the relevant laws and regulations in force from time to time in Canada and the United States of America, respectively.

It is further understood that, upon acceptance and checkout of the first remote manipulator system provided under the Memorandum of Understanding, the National Aeronautics and Space Administration accepts full responsibility for its operation and agrees to absolve the National Research Council of Canada and the Government of Canada for any loss, damage, injury or liability attributable to its operation or construction.

If the Government of Canada is prepared to confirm the Memorandum of Understanding, I propose that, in accordance with Article XVIII of the Memorandum of Understanding, the provisions of the Memorandum of Understanding shall take effect on the date of Your Excellency's reply recording the Government of Canada's confirmation of the Memorandum of Understanding. I propose further that this note and Your Excellency's reply shall constitute an international agreement between our two Governments for a Cooperative Program concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System which shall remain in force so long as the Memorandum of Understanding shall remain in force.

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

For the Acting Secretary of State:

FREDERICK IRVING

His Excellency

JACK HAMILTON WARREN,
Ambassador of Canada.

The Canadian Ambassador to the Secretary of State

CANADIAN EMBASSY

AMBASSADE DU CANADA

EXCELLENCY,

I have the honor to refer to your Excellency's note of June 23, 1976 providing the Government of the United States of America's confirma-

tion of the Memorandum of Understanding between the National Aeronautics and Space Administration of the United States of America and the National Research Council of Canada for a Cooperative Program concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System which was signed for the National Aeronautics and Space Administration on July 9, 1975 and for the National Research Council of Canada on July 18, 1975, (hereinafter referred to as the "Memorandum of Understanding").

In consideration of the very productive and mutually beneficial co-operation which has existed between our two countries for many years in space projects, I have the honor to inform you that the Government of Canada also confirms the provisions contained in the Memorandum of Understanding between the National Aeronautics and Space Administration of the United States of America and the National Research Council of Canada. It is recognized that the development of the Space Shuttle constitutes an important United States of America contribution to the development of space technology.

The Memorandum of Understanding provides that the National Research Council of Canada and the National Aeronautics and Space Administration will carry out design reviews from time to time and will agree on specific design requirements. Any such agreement upon specific design requirements will be recorded in a subsidiary document between the National Research Council of Canada and the National Aeronautics and Space Administration.

It is understood that the provision or transfer of any technology, hardware, or technical assistance between Canada and the United States of America pursuant to the Memorandum of Understanding will be subject to the relevant laws and regulations in force from time to time in Canada and the United States of America, respectively.

The Government of Canada notes that, upon acceptance and checkout of the first remote manipulator system provided under the Memorandum of Understanding, the National Aeronautics and Space Administration accepts full responsibility for its operation and agrees to absolve the National Research Council of Canada and the Government of Canada for any loss, damage, injury or liability attributable to its operation or construction.

The Government of Canada also accepts Your Excellency's proposal that, in accordance with Article XVIII of the Memorandum of Understanding, the provisions of the Memorandum of Understanding shall take effect on the date of this reply. It is understood that Your Excellency's Note and this reply, which is equally authentic in English and French, shall constitute an international agreement between our two Governments for a Cooperative Program concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System which shall remain in force as long as the Memorandum of Understanding shall remain in force.

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

J H WARREN

JUNE 23, 1976

The Honorable HENRY A. KISSINGER,
The Secretary of State,
Washington, D.C

French Text of the Canadian Note

CANADIAN EMBASSY

AMBASSADE DU CANADA

MONSIEUR LE SECRÉTAIRE D'ETAT,

J'ai l'honneur de me référer à votre note en date du 23 juin 1976 faisant état de la confirmation par le Gouvernement des Etats-Unis d'Amérique du Protocole d'entente entre la National Aeronautics and Space Administration des Etats-Unis d'Amérique et le Conseil national de recherches du Canada en vue d'un Programme de coopération pour la mise au point et l'acquisition d'un télémanipulateur de navette spatiale signé pour la NASA le 9 juillet 1975, et pour le CNRC le 18 juillet 1975 (ci-après appelé "Protocole d'entente").

En égard à coopération très féconde et mutuellement avantageuse qui existe depuis plusieurs années entre nos deux pays dans le domaine spatial, j'ai l'honneur de vous informer que le Gouvernement du Canada confirme lui aussi les dispositions contenues dans le Protocole d'entente entre la National Aeronautics and Space Administration des Etats-Unis d'Amérique et le Conseil national de recherches du Canada. Il est de fait que la mise au point de la navette spatiale représente une contribution importante des Etats-Unis d'Amérique à l'avancement de la technologie spatiale.

Le Protocole d'entente stipule que le Conseil national de recherches du Canada et la National Aeronautics and Space Administration entreprendront des révisions de dessin à l'occasion et s'entendront sur certains impératifs particuliers en matière de dessin. Toute entente de ce type sera consignée dans une annexe agréée par le Conseil national de recherches du Canada et la National Aeronautics and Space Administration.

Il est entendu que la fourniture ou le transfert de technologie, de matériel ou d'assistance technique entre le Canada et les Etats-Unis d'Amérique en vertu du Protocole d'entente seront assujettis aux lois et règlements pertinents en vigueur au Canada et aux Etats-Unis d'Amérique.

Le Gouvernement du Canada note que sur réception et après vérification du premier télémanipulateur visé par le Protocole d'entente, la National Aeronautics and Space Administration assume

l'entièr e responsabilité de son exploitation et accepte de décharger le Conseil national de recherches du Canada ainsi que le Gouvernement du Canada de tout dommage, perte, blessure ou responsabilité imputable à son exploitation ou à sa construction.

Le Gouvernement du Canada accepte également la proposition de Son Excellence voulant que, conformément à l'article XVIII du Protocole d'entente, celui-ci entre en vigueur à la date de la présente réponse. Il est convenu que la note de Votre Excellence de même que la présente réponse, qui fait également foi en français et en anglais, constituent un accord international entre nos deux Gouvernements en vue d'un Programme de coopération pour la mise au point et l'acquisition d'un télémanipulateur de navette spatiale. Cet accord reste en vigueur pour la durée du Protocole d'entente.

Je vous prie d'agréer, Monsieur le Secrétaire d'Etat, les assurances de ma plus haute considération.

J H WARREN

LE 23 JUIN, 1976

L'Honorable HENRY A. KISSINGER,
Secrétaire d'Etat,
Washington, D.C.

Memorandum of Understanding Between the National Aeronautics and Space Administration and the National Research Council of Canada for a Cooperative Program Concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System

PREAMBLE

Pursuant to the offer of the Government of the United States of America to the Government of Canada to participate in the major US Space Program which follows the Apollo Program, and, in particular, in the development of the Space Transportation System (STS) based on the Space Shuttle, the execution of which has been entrusted by the Government of the United States of America to the National Aeronautics and Space Administration (NASA), the National Research Council of Canada (NRCC), an agency of the Government of Canada, has manifested its desire to develop a Space Shuttle Attached Remote Manipulator System, hereinafter referred to as "RMS", for the purpose of participation in the Space Shuttle Program. In order to provide for appropriate association of the two agencies in the execution of these programs and in order to assure the necessary coordination between them, NASA, acting for, and on behalf of, the Government of the United States of America and NRCC, acting for, and on behalf of, the Government of Canada,

have drawn up this Memorandum of Understanding which sets out the particular terms and conditions under which such association and coordination will be effected.

ARTICLE I

Objectives

The purpose of this Memorandum of Understanding is to provide for the implementation of a cooperative program in which NRCC undertakes to assure the design, development, manufacture and delivery by a Canadian Industrial Team of the first flight unit of an RMS, and other items described in this Memorandum. This flight unit will be used as an element to be integrated with the Space Shuttle. This Memorandum sets out, furthermore, the provisions for access by Canada to the use of the Space Shuttle and for the procurement by NASA of additional RMS units and establishes the cooperative structure between NASA and NRCC for dealing with all questions concerning interface between the Shuttle and RMS programs.

ARTICLE II

General Description of the RMS Project

1. SUMMARY DESCRIPTION OF THE RMS PROJECT

The RMS to be developed under this cooperative program will be designed for the handling of Shuttle payloads. The RMS will be installed adjacent to the Orbiter payload bay and will be operated from the Orbiter aft flight deck. The RMS will be capable of performing several operations with the aid of special guideways and payload retention devices installed in the Orbiter; it will be capable of removing the payload from the cargo bay and deploying the payload in a stabilized condition; it will be capable of attachment to a stabilized payload in the retrieval zone and moving the payload into retention facilities in the cargo bay; it will be capable of performing certain payload servicing operations; and it will support extravehicular activity, including extravehicular rescue operations.

2. REMOTE MANIPULATOR SYSTEM SUMMARY DESCRIPTION

The term "Remote Manipulator System" is understood to include the following assemblies, components, and subsystems:

- a. Right and left hand Shuttle attached manipulator arms
- b. Right and left hand standard end effectors
- c. Orbiter aft flight deck RMS control station
- d. Closed circuit television camera and light mounted on each manipulator arm for monitoring and feedback of RMS operations. These items shall be identical to the television cameras and lights developed by NASA for use in the payload bay.

e. Wiring, cabling and associated electronics necessary for the integrated functioning of the foregoing items (a) through (d) and for interface with the Shuttle Orbiter. Wiring, cabling, and electronics do not include any interconnections from the manipulator arm to the control console or any other connections, such as lighting, that will interfere with orbiter circuitry.

f. Logic, control laws, and mathematical formulations necessary for development of software to incorporate RMS functions into the Orbiter computer and subsystem management subsystems. The control system provides the capability to operate two manipulator arms in serial-only (non-simultaneous) mode. Capability is provided to hold or lock the payload with one manipulator while operating the second.

g. RMS general purpose simulator

h. RMS operational training simulator hardware

i. Handbooks, drawings, and other documents necessary for maintenance and operation of the foregoing. More complete descriptions of all the foregoing, identification of ancillary hardware, and requirements therefor shall be contained in the NASA RMS requirements document to be supplied NRCC for Phase B studies and to be comprehensively reviewed and updated at the conclusion thereof.

3. RMS FIRST FLIGHT UNIT

For purposes of this Memorandum of Understanding, references to the RMS first flight unit are understood to include one complete system as described in items (a) through (f) above (except that only one manipulator arm with associated television and light and one end effector is required for delivery) plus applicable items in (i).

Moreover, NRCC responsibility for the first flight unit is understood to include DDT&E (Design, Development, Test and Evaluation) for the RMS, the first flight unit, and other qualification, engineering, and mock-up units as agreed in the Joint RMS Project Plan.

4. COMMONALITY

In the interest of minimizing developmental and operational costs, and maximizing reliability, an effort will be made to optimize commonality between RMS and Space Shuttle components.

ARTICLE III

Phasing and Scheduling

1. REQUIREMENT STUDIES

RMS requirements are expected to be completed by NASA around mid-1975.

2. PHASE B STUDIES

Upon the completion of the requirement studies, the NRCC will proceed into a Phase B study (Definition and Preliminary Design) of the RMS. It is anticipated that this effort will be completed during 1976. During this time, an RMS general purpose simulator will be constructed by Canada. This simulator will be capable of modeling the RMS system in mathematical form and later in hardware form.

3. PHASES C AND D

At the completion of the Phase B studies, the parties will mutually agree on a design for immediate implementation and development in Canada for Phase C and D (final design and hardware development and manufacture).

4. COMPLETION SCHEDULES

It is currently planned that the first research and development space flight of the Space Shuttle will occur in the second quarter of 1979. Delivery of the RMS first flight unit should be planned to occur in the first quarter of 1979 to permit installation and checkout of the RMS at the KSC checkout and launch facility. Additionally, certain components or elements of the RMS may be required to be delivered earlier so that they may be integrated into the orbiter vehicle while it is at the prime contractor's final assembly and systems installation site.

Detailed delivery requirements will be covered in the RMS Joint Project Plan.

5. SCHEDULE CHANGES

Each party will keep the other fully and currently informed of factors affecting the schedules of the Space Shuttle and of the RMS, respectively, and their potential effects on flight readiness.

ARTICLE IV**Development Plans**

The foregoing general descriptions of the RMS project and of the phasing, scheduling, managerial and working arrangements will be defined in greater detail in a Joint RMS Project Plan. The parties recognize that many issues remain to be resolved and the Joint RMS Project Plan will be developed and updated as appropriate by the RMS Project Managers and Headquarters RMS Coordinators. This plan is to be based on the results of the preliminary definition and trade-off studies, and on the final definition of, and the requirements for integration with, the Space Shuttle.

ARTICLE V**Respective Responsibilities for RMS Project****1. NRCC RESPONSIBILITIES**

NRCC will be responsible for all arrangements with the Canadian Industrial Team in order to provide for the following:

- a. Design and develop the RMS system as defined in Article II, 2.
- b. Design, develop and manufacture the RMS first flight unit (as defined in Article II, 3), appropriate RMS ground support equipment, initial RMS flight unit spares along with drawings and documentation necessary for integration, operation and maintenance of the flight RMS system and for the purpose of conducting design reviews for all of the foregoing.
- c. Design, develop and manufacture RMS simulator hardware for operational training purposes in accordance with Article VIII, 2.
- d. Test for acceptance of above equipment as determined by mutual agreement by NASA and NRCC in order to meet the agreed specifications.
- e. Design, develop and manufacture such elements as NRCC and NASA may agree to be necessary for the program in addition to those listed in (b) and (c) above.
- f. Deliver to NASA at US sites designated by NASA the items listed above. This does not include the RMS general purpose simulator noted below.
- g. Establish in the US and accommodate in Canada an agreed complement of liaison personnel
- h. Provide all necessary engineering integration information, in part through representation at appropriate Space Shuttle Program meetings in the US and joint RMS project reviews; and in part through other reporting mechanisms to be agreed upon
- i. Provide agreed progress and status information
- j. Following delivery of the above RMS simulator hardware (not including the RMS general purpose simulator noted below) and RMS first flight unit, maintain and fund an RMS sustaining engineering capability through the first six Space Shuttle manned orbiting missions, and ensure, for NASA's account, the future availability to NASA of such engineering capability to meet NASA's operating requirements on the same basis as would apply to NRCC
- k. Ensure the production in Canada for procurement by NASA of subsequent flight units, components and spares
- l. Design, construct and operate an RMS general purpose simulator in Canada and make it available for NASA Space Shuttle Program use in accordance with agreed schedules at no charge

2. NASA RESPONSIBILITIES

The responsibilities of NASA are as follows:

- a. Establish RMS requirements consistent with the description of the RMS given in Article II, 2.
 - b. Establish in Canada and accommodate in the US an agreed complement of liaison personnel
 - c. Consult as it is mutually agreed to be necessary on technical and managerial problems
 - d. Provide all necessary engineering interface information
 - e. Provide agreed progress and status information
 - f. Monitor the Canadian Industrial Team's DDT&E and manufacturing progress as defined in the Joint RMS Project Plan
 - g. Review and concur in the implementation of NRCC activities critical to the NASA program requirements for the RMS as defined in the Joint RMS Project Plan
 - h. Specify, in order to assure successful operation of the RMS in the Space Shuttle system, operational plans and hardware and operational interfaces as defined by the Joint RMS Project Plan
 - i. Conduct systems analyses for development of operational concepts and utilization plans, and assess the impact of changes at all RMS external interfaces
 - j. Develop the closed circuit television system and payload bay lights for use with the RMS as well as selected peripheral components necessary to the successful operation of the RMS (e.g., on-board computer, viewing ports, interface with Space Shuttle ACS)
 - k. Manage all operational activities outside of Canada subsequent to the delivery of the RMS, including equipment integration, crew training, checkout, flight operations and refurbishment
3. By agreement between the NASA Administrator and the President of NRCC, changes may be made in the above responsibilities as may be desirable for the implementation of this cooperative program.

ARTICLE VI**Coordination—Liaison—Reviews****1. HEADQUARTERS RMS COORDINATORS**

Each of the parties shall designate in their respective Headquarters an RMS Coordinator responsible for the overall coordination of this cooperative program.

2. RMS PROJECT MANAGERS

In addition, each of the parties will designate an RMS Project Manager responsible for the day-to-day management and the implementation of this cooperative program.

3. JOINT RMS WORKING GROUP (JRMSWG)

The two Project Managers will together establish a joint RMS working group with appropriate technical representatives from each party. The Project Managers will be co-chairmen of the JRMSWG. The JRMSWG will be the principal mechanism for:

- a. The exchange of information necessary to inform both parties fully of the status of both the Space Shuttle and the RMS
- b. Monitoring interface items, problems and solutions
- c. Early identification of issues or problems of either party which may affect the other
- d. Assuring early action with respect to any problems and new or revised requirements

4. LIAISON

The parties shall each provide and accommodate liaison representation in the US and in Canada at levels as mutually agreed. The representation shall be such as to assure each party adequate visibility of the other's progress with regard to interfaces and their control. NRCC shall have representation on the appropriate Space Shuttle change control board to assure adequate opportunity to present the views and interests of NRCC with respect to any change affecting the RMS Project. The Canadian representatives on the board will have a voice but will not vote. NASA will have similar representation on the comparable NRCC RMS Board. NRCC and NASA will authorize and arrange for visits to their respective contractors as required, contractor-to-contractor visits will be under the auspices of, and monitored by, both NRCC and NASA personnel.

5. JOINT RMS REVIEWS

A schedule of preliminary and critical design reviews for the RMS shall be made, with joint participation of NRCC and NASA in all such reviews. These and other joint RMS reviews shall be defined and scheduled in the RMS Joint Project Plan. Any implications from Shuttle reviews having a bearing on RMS will be addressed and transmitted to NRCC expeditiously.

ARTICLE VII**Development Funding****1. COSTS**

NASA and NRCC will each bear the full costs of discharging their respective responsibilities arising from this cooperative program, including travel and subsistence of their own personnel and transportation charges for all equipment for which they are responsible.

It is recognized that present cost estimates for the Remote Manipu-

lator System may prove to be deficient due to inadequate definition of the scope of the system and NASA requirements. NRCC shall, therefore, include the development of cost estimates as an integral part of its Phase B studies. At the conclusion of Phase B studies, NRCC and NASA shall jointly review the cost estimates and estimate the funding commitment required of NRCC.

2. DESIGN CHANGES

While NASA reserves the right to require changes affecting the interfaces or operational interactions between the Space Shuttle and the RMS, NASA recognizes that basic changes in its RMS requirements could lead to exceptional expenditures by NRCC. Conversely, NRCC recognizes that changes to the design of the RMS which impact the RMS/Space Shuttle interface could lead to significant additional NASA expenditures.

Both NASA and NRCC will, therefore, exercise tight control on changes. This will be facilitated by cross representation on appropriate NASA and NRCC change boards. To the extent that changes affect the Space Shuttle and RMS, NASA and NRCC will bear the increases in the cost of their respective Space Shuttle and RMS development contracts as provided in paragraph 1 above.

3. AVAILABILITY OF FUNDS

The commitments by NASA and NRCC to carry out this cooperative program are subject to availability of funds.

4. PRINCIPLE ON PRICING

Neither party will seek to recover government research and development costs incurred in the development of RMS items procured from the other in connection with this cooperative program.

At the conclusion of Phase B studies, NRCC will submit to NASA budgetary and planning estimates, forecasting the costs of those items NASA is expected to procure under the terms of this Memorandum of Understanding. The budgetary and planning estimates shall detail the cost data supporting the stated unit and total costs. More detailed and refined budgetary and planning estimates shall be prepared by NRCC and submitted to NASA at the Critical Design Review for the RMS. These budgetary and planning estimates shall be non-binding on NRCC and the Canadian Industrial Team but will be major ingredients in the process of determining "reasonable costs" of those items to be procured by NASA.

ARTICLE VIII

NASA Procurement of RMS and Simulator Hardware

1. NASA PROCUREMENT OF RMS

a. Subsequent to the delivery by the Canadian Industrial Team of the RMS and other items referred to in Article V.1.b, NASA agrees

to procure from the Canadian Industrial Team whatever additional items of this type it may require for programmatic reasons, provided that they are available to the agreed specifications and schedules and at reasonable prices to be agreed. NASA should give an initial procurement order of at least two RMS flight systems, as defined in Article II, 2 (excluding items g and h), plus appropriate spares at least one year before the delivery of the RMS system referred to above. The number of RMS systems in this initial procurement order may be reviewed and revised upward in 1976.

b. Recognizing the desirability of gaining operational experience with the first flight unit before ordering additional units, but that the price and availability of production units will be dependent on the maintenance of a continuing full production capability, NASA will endeavor to provide significant lead time for any procurement order.

2. NASA PROCUREMENT OF SIMULATOR HARDWARE

It is agreed that RMS simulator hardware for operational training purposes is required by NASA to support the Space Shuttle Program. This training simulator hardware shall be built to specifications provided by NASA, at a price to be agreed, and NASA shall procure the simulator hardware from the Canadian Industrial Team for delivery in early 1978.

ARTICLE IX

Prospective Requirements

1. NEW MANIPULATOR SYSTEMS

NASA will endeavor to give NRCC advanced notice of any prospective requirements for substantially modified or entirely new manipulator systems so as to provide NRCC with an opportunity to make cooperative proposals which might meet such requirements.

2. SUBSEQUENT RMS REQUIREMENTS

For any subsequent NASA RMS requirements which are not substantially met by the RMS developed under this cooperative program, NASA will have the right, but not the obligation, to meet such requirements by making the necessary modifications to the RMS developed under this cooperative program, in which case details of the modifications shall be made known to NRCC in an expeditious manner. In this case, NASA agrees at least to purchase the unmodified units, less any subassemblies that are not required, from the Canadian Industrial Team, provided they are available to otherwise agreed specifications and schedules and at reasonable prices to be agreed.

ARTICLE X

Contingencies

1. NON-COMPLETION OF FIRST FLIGHT UNIT OR FAILURE TO MEET AGREED SPECIFICATIONS

If the Canadian Industrial Team fails to perform in accordance with the provisions of this Memorandum of Understanding, or so fails to make progress in meeting agreed specifications in accordance with schedules stated in the RMS Joint Project Plan as to endanger performance under the terms of this Memorandum of Understanding, and, in either of these circumstances, does not correct such failure within a reasonable period of time upon written receipt from NASA specifying such condition or conditions:

a. NASA may, under such circumstances, initiate separate and independent development of any RMS or major subsystem substantially duplicating the design and capabilities of the RMS.

b. NASA's obligations shall lapse and NRCC^c shall turn over to NASA without charge and without delay all drawings, RMS hardware and documentation relating thereto produced under this cooperative program. The right of NASA to use the said drawings, hardware and documentation shall be limited to the completion and operation of the RMS. NRCC shall ensure that it will be in a position to provide as hardware, at NASA's account, any proprietary item for which it does not hold transmissible rights to reproduction. This provision applies also to the RMS operational training simulator hardware to be developed by Canada.

c. NASA shall, under such circumstances, continue to have necessary and reasonable access to the RMS general purpose simulator until 1980 at no charge and thereafter on a cost recoverable basis to be agreed by NASA and NRCC.

2. If NRCC, for any reason, should abandon the development of the RMS, the provisions of paragraph 1 immediately above shall apply.

3. NON-AVAILABILITY OF SUBSEQUENT RMS

If RMS systems, components and spares required by NASA after the first flight unit are not available to NASA in accordance with the agreed specifications and schedules and at reasonable prices to be agreed, NASA shall be free to produce such units, and NRCC^c will turn over to NASA all drawings and documents produced under this cooperative program without charge and, at NASA option, existing hardware, tooling and special test equipment at reasonable cost. To provide for NASA production of RMS under such circumstances, NRCC will arrange, in advance, on a contingency basis, any necessary licensing arrangements and for provision of any proprietary item for which licensing arrangements are not possible.

ARTICLE XI

NASA Abstention From RMS Development

While, except for the circumstances provided in Article X, NASA will refrain from separate and independent development of any RMS or major subsystem substantially duplicating the design and capabilities of the RMS, it is agreed that NASA shall not be precluded from undertaking systems analyses and pursuing independent supporting technology efforts in selected areas to augment its capability to monitor and assess Canadian progress. It is also understood that NASA may pursue technology developments directed at advancements in the state-of-the-art beyond that directly related to this RMS, may study, but not develop, entirely different manipulator systems duplicative of the capabilities of this RMS; and may study and develop non-duplicative remote manipulator systems without restriction.

ARTICLE XII

Access to Technology and Technical Assistance

1. PROVISION OF TECHNICAL AND ENGINEERING INFORMATION

a. With respect to technical and engineering information which is necessary for the proper integration of the RMS with the Space Shuttle system, NASA will make such information available to NRCC and the Canadian Industrial Team. NRCC will make available to NASA and its contractors that RMS technical and engineering information required for the same purpose as well as any additional RMS technical information and data which NASA determines are necessary to carry out its functions of Space Shuttle operation, maintenance, training, and user interface activity.

b. With respect to technical and engineering information necessary for the development of the RMS, NASA and NRCC consider that the Canadian side already possesses the essential technological capability to carry out this development. Should technical circumstances or difficulties arise where the success of the program is at hazard, the matter will be considered by the Joint RMS Working Group and, if not resolved by it, will be referred as necessary to successively higher levels for resolution.

2. FORM OF ASSISTANCE

In providing such help to NRCC as may be agreed, NASA may respond on an in-house basis or may refer NRCC and/or its contractors to US contractors. NASA reserves the right to arrange for such assistance in the form of hardware rather than technology or technical and engineering information.

3. CONDITIONS FOR PROVISION OF TECHNICAL AND ENGINEERING INFORMATION

a. To the extent that any technology or technical and engineering information is designated by a party as "FOR RMS USE ONLY" or by one of its contractors as proprietary in accordance with Article XV, it is agreed that the receiving party and its contractors will not use such designated technology or information for purposes other than to accomplish the tasks under this program, and will not transfer it to a party not participating in the RMS Project without prior agreement of the designating party or its contractor. Provided, however, that RMS information and data furnished by NRCC or the Canadian Industrial Team pertaining to functional characteristics, performance and operating characteristics, RMS/Space Shuttle integration (including form, fit and function data), and installation maintenance, operating and training manuals which are required by NASA and its contractors to operate and maintain the Space Shuttle and interface with its users will not be designated as "FOR RMS USE ONLY" or as proprietary and will be furnished without restrictions.

b. To the extent that NASA and NRCC can each make the required information readily available, it will do so without charge, in other cases, NASA and NRCC will each use its best efforts to facilitate its availability on favorable conditions.

4. JOINT DEFINITION OF AREAS

The two parties shall provide for the earliest possible joint definition of areas in which help in the procurement of hardware and technical assistance from US Government agencies or nationals may be required.

5. QUALITY CONTROL

Where NRCC and its contractors need to procure US hardware, NASA agrees to use its good offices in connection with arranging the services of US Government quality control and acceptance and cost control and auditing personnel in US plants where available and appropriate. NRCC, similarly, will arrange for Canadian Government quality control personnel to monitor the quality requirements of the RMS program at the plants of the Canadian Industrial Team consistent with reciprocal quality arrangements currently in force in relation to the US-Canada defense sharing agreements.

6. FACILITATION OF EXPORT LICENSES

Early advance notification of contemplated procurements by the Canadian Industrial Team of US hardware, technology, or technical and engineering information is to be provided to facilitate assistance by NASA in connection with arrangements for export licenses, should such be necessary, consistent with applicable US laws and regulations.

7 USE OF US FACILITIES

Where it is jointly determined that it is appropriate and necessary for the conduct of the cooperative program, NASA will use its good offices in connection with arranging for the use of US Government or contractors' facilities by NRCC and/or its contractors.

ARTICLE XIII

Principles Concerning Access to and Use of the Space Shuttle and the RMS System

1. PLANNING

There shall be adequate Canadian participation in NASA planning for Space Shuttle payload requirements, with a view to providing for inputs relevant to RMS design, interface requirements and utilization.

2. SPECIAL PROVISIONS FOR THE USE OF THE RMS FIRST FLIGHT UNIT

a. In order to assure the integrity of operation and management of the Space Shuttle system, NASA shall have full control over the RMS first flight unit after its delivery, including unrestricted use free of cost.

b. Without prejudice to the Space Shuttle system test and experimental test objectives of the first flight, the RMS test objectives will be jointly planned on a cooperative basis.

c. NASA may make any modifications to the RMS first flight unit which it desires. Should NASA find it desirable to effect major modifications to this unit, these shall be discussed with NRCC which will be given the opportunity to provide modification kits on a mutually agreed basis.

3. SPACE SHUTTLE AVAILABILITY AND PREFERRED ACCESS TO PARTICIPANTS

While it is premature to define the ultimate terms and conditions for operation and use of the Shuttle system, it is expected that the following principles will apply and will be the subject of more precise definition at a later time.

a. NASA will make the Shuttle and Spacelab available, for space-craft launches, servicing missions, experiments and applications, to Canadian organizations designated by the Government of Canada to operate space systems on either a cooperative (non-cost) or cost-reimbursable basis in a manner consistent with the October 9, 1972 statement of United States policy regarding the provision of launch assistance.¹

b. In regard to such space missions proposed on a reimbursable basis, NASA shall provide access for Shuttle and Spacelab use to

¹ Not printed.

Canada in preference to countries not participating in the development of the Space Transportation System considering, in recognition of Canada's participation in this cooperative program, that this will be equitable in the event of payload limitation or scheduling conflict.

c. Scientific experiments or applications proposed for cooperative flight will be selected on the basis of merit in accordance with continuing NASA policy. In recognition of Canada's participation in the RMS cooperative project, such Canadian proposals for cooperative flights on the Space Transportation System will be given preference over the proposals of countries not participating in the development of the Space Transportation System provided their merit is at least equal to the merit of the proposals of non-participating countries. NRCC will have an opportunity to express its views with respect to the judgment of merit regarding its cooperative proposals.

5. ACCESS TO CONVENTIONAL LAUNCH FACILITIES

To meet Canadian launch requirements up to the time that only Space Shuttle services are available, NASA will provide conventional rocket launch services to Canadian organizations designated by the Government of Canada to operate space systems. These services are to be made available on either a cooperative (non-cost) or a cost-reimbursable basis on terms that are non-discriminatory in accordance with the October 9, 1972, statement of United States policy governing the provision of launch assistance and pursuant to terms and conditions to be agreed upon by the competent US and Canadian authorities.

ARTICLE XIV

Public Information

Each party is free to release public information regarding its own efforts in connection with this cooperative program. However, it undertakes to coordinate in advance any public information activities which relate to the other party's responsibilities or performance.

ARTICLE XV

Patents and Proprietary Information

Each of the parties and their contractors shall retain unaffected all rights which they have with respect to any patents and/or proprietary information, whether or not they antedate this Memorandum of Understanding. Where it is mutually determined that patentable or proprietary information should be transferred in the interest of successfully implementing this cooperative program, this may be done under arrangements which fully recognize and protect the rights involved. In addition, each of the parties shall use its best efforts to secure from its contractors the rights necessary to discharge the obligations contained in this Memorandum of Understanding in accordance with its internal rules.

ARTICLE XVI

Settlement of Disputes

1. Any disputes in the interpretation or implementation of the terms of this cooperative program shall be referred to the NASA Administrator and the President of NRCC for settlement.

2. Should the NASA Administrator and the President of NRCC be unable to resolve such disputes, they may be submitted to such other forms of resolution or arbitration as may be agreed.

ARTICLE XVII

Duration

This Memorandum of Understanding shall remain in force until January 1, 1985, or for at least five years after the date of the first flight of the RMS whichever is later. Thereafter this Memorandum shall be extended for three years or for such further periods as NASA and NRCC may agree unless either party gives notice of termination prior to January 1, 1985, or prior to the expiration of the five years, whichever is applicable.

ARTICLE XVIII

Entry Into Force

This Memorandum of Understanding shall enter into force upon signature by the Administrator of the National Aeronautics and Space Administration and the President of the National Research Council of Canada and confirmation of this Memorandum of Understanding by exchange of notes between the two Governments.

W. G. SCHNEIDER

*For the National Research
Council of Canada*

Date July 18, 1975

JAMES C FLETCHER

*For the National Aeronautics
and Space Administration*

Date July 9, 1975

PAKISTAN
Agricultural Commodities

Agreements amending the agreement of August 7, 1975, as amended.

Effectuated by exchange of notes

Signed at Islamabad August 10, 1976;

Entered into force August 10, 1976.

With minutes of the meeting of July 27, 1976.

And exchange of notes

Signed at Islamabad August 20, 1976;

Entered into force August 20, 1976.

With minutes of the meeting of August 19, 1976.

The American Minister-Counsellor, Director, to the Pakistani Secretary, Economic Affairs Division, Ministry of Finance, Planning and Economic Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
ISLAMABAD

August 10, 1976

SIR:

I have the honor to refer to the Title I, Public Law 480 Agricultural Sales Agreement signed by the representatives of our two Governments on August 7, 1975, as amended February 5, 1976,^[1] and to propose that this Agreement be further amended as follows:

(A) In Part II, Item I, Commodity Table:

(1) Under the appropriate columns for Soybean/Cottonseed Oil, delete "1976", "40,000", and "17.6" and insert in lieu thereof "1976 plus July 1 through September 30, 1976", "60,000", and "\$26.8" respectively; and

(2) After "Total" under column entitled "Maximum Export Market Value", delete "\$91.3" and insert in lieu thereof "\$100.5".

(B) In Part II, Item III, Usual Marketing Table:

For Edible vegetable oil and/or oil bearing seeds (oil equivalent basis) under column entitled "Import Period", delete "1976" and

¹ TIAS 8189, 8263; 26 UST 2725; *ante*, p. 1555. [Footnote added by the Department of State.]

insert in lieu thereof "1976" plus July 1 through September 30, 1976", and

- (C) In Part II, Item IV, Export Limitations, paragraph A, after "United States fiscal year 1976", insert "and for Soybean/Cottonseed Oil shall be United States fiscal year 1976 plus July 1 through September 30, 1976".

Except as amended hereby, all other terms and conditions of the August 7, 1975 Title I Agreement, as amended February 5, 1976 shall remain the same.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration

JOSEPH C. WHEELER

Joseph C. Wheeler
Minister-Counsellor, Director

MR. AFTAB AHMAD KHAN

Secretary

Economic Affairs Division

Minister of Finance, Planning and Economic Affairs

Government of Pakistan

Islamabad

The Pakistani Secretary, Economic Affairs Division, Ministry of Finance, Planning and Economic Affairs, to the American Minister-Counsellor, Director

FROM: AFTAB AHMAD KHAN,
SECRETARY.

GOVERNMENT OF PAKISTAN
MINISTRY OF FINANCE, PLANNING
AND ECONOMIC AFFAIRS
(ECONOMIC AFFAIRS DIVISION)

No. 1(2)US-VI/76

ISLAMABAD, the 10th August, 1976.

DEAR MR. WHEELER,

I have the honour to acknowledge with thanks the receipt of your letter dated August 10, 1976, proposing to further amend the PL 480 Title I Agreement of August 7, 1975, as amended on February 5, 1976 to provide for the delivery of an additional quantity of 20,000 tons of Edible Vegetable Oil to Pakistan valued at approximately \$9.2 million.

2. The text of your letter under reference is reproduced below:—

"I have the honor to refer to the Title I, Public Law 480 Agricultural Sales Agreement signed by the representatives of our two Governments on August 7, 1975, as amended on February 5, 1976, and to propose that this Agreement be further amended as follows:

(A) In Part II, Item I, Commodity Table:

- (1) Under the appropriate columns for Soybean/Cottonseed Oil, delete "1976", "40,000", and "\$17.6" and insert in lieu thereof "1976 plus July 1 through September 30, 1976", "60,000", and "\$26.8" respectively; and
- (2) After "Total" under column entitled "Maximum Export Market Value", delete "\$91.3" and insert in lieu thereof "\$100.5".

(B) In Part II, Item III, Usual Marketing Table:

For Edible vegetable oil and/or oil bearing seeds (oil equivalent basis), under column entitled "Import Period", delete "1976" and insert in lieu thereof "1976 plus July 1 through September 30, 1976", and

(C) In Part-II, Item-IV, Export Limitations, paragraph A, after "United States fiscal year 1976", insert "and for Soybean/Cottonseed Oil shall be United States fiscal year 1976 plus July 1 through September 30, 1976".

Except as amended hereby, all other terms and conditions of the August 7, 1975 Title I Agreement as amended on February 5, 1976 shall remain the same.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration."

3. I write to concur in the contents of your letter and to confirm that this exchange of letters between us shall constitute an agreement between our two Governments.

With kind regards,

Yours sincerely,

AFTAB AHMAD KHAN

(Aftab Ahmad Khan)

Mr. JOSEPH C. WHEELER,
Minister-Counsellor-Director,
US-AID Mission to Pakistan,
Islamabad.

Minutes of the Meeting Held July 27, 1976, Regarding the August 10, 1976, Amendment to the Fiscal Year 1976, PL 480, Title I Agreement, Signed on August 7, 1975, as Amended on February 5, 1976

1. The Government of Pakistan ("Pakistan") and the United States Government ("USG") representatives agreed that the Minutes of the meeting held on July 29, 1975 regarding the Fiscal Year 1976 PL 480, Title I Agreement of August 7, 1975 would likewise be applicable to the August 10, 1976 Amendment.

2. A. The Pakistan and USG representatives agreed that the Minutes of the meeting held on January 22, 1976 regarding the February 5, 1976 Amendment to the Fiscal Year 1976 PL 480, Title I Agreement of August 7, 1975 would also be applicable to the August 10, 1976 Amendment except as to the monthly reports regarding edible oil.

B. In lieu of the aforementioned reports on edible oil agreed to in the Minutes of the meeting of January 22, 1976, it was agreed that the Government of Pakistan would provide to USAID a report on edible vegetable oil requirements and supplies at the end of each calendar month (a format for which is attached hereto as Annex A). The monthly reports for July through December would show, in tons, the actual amount for the previous month and projected amounts, by month for the succeeding 12 months. The monthly reports for January through June would show, in tons, the actual amount for the previous month and projected amounts, by month, through the following December. Each report would cover actual amounts and projected amounts for the categories listed in the attached proforma.

C. The Pakistan representatives noted and the USG representatives accepted that information on source of imports for projected months may be somewhat tenuous, especially for the latter months of the projection. However, it was agreed that the best available information would be provided and that information for a particular month would naturally become more exact through the progression of monthly reports.

3. A. The USG representatives noted that the Aide Memoire for Fiscal Year 1976-77 provides an informative general statement on Pakistan's strategy in expanding oilseed production and requested the Pakistan representatives to elaborate on their strategy by oilseed crops (soybean, groundnut, sunflower, safflower, rape and mustard seed) in such regards as:

1. Research activity—description of present and planned research by locations and institutions, major problems being addressed, types of trials and resources assigned;
2. Amount of seed multiplication—number of acres planned in the last year, seed production and projections;
3. Extension demonstrations and crop promotion activity—number and acreage by province;
4. Area planted to oilseed crops, production and projections;

5. The major facilities, locations and capabilities for processing different oilseeds and any planned increases;
6. The price policies for different oilseeds including procurement prices, manner in which they will be operated, location of procurement centres, and capabilities (price policies being followed for kharif crops and those to apply to the rabi should be described. Any changes contemplated for the next year also should be described);
7. Any other actions being taken; and
8. Additional action considered necessary to make a major increase in output.

B. The USG representatives also requested a statement of:

1. The progress on steps being taken to shift from ghee to the production of less costly refined oil;
2. Any action being taken to reduce processing losses due to high levels of Free Fatty Acids in oilseed and oil;
3. An appraisal of the effects of measures already taken to increase the utilization of solvent oilseed processing plants and additional actions considered necessary.

C. It was agreed that in addition to the monthly report on edible oils the Government of Pakistan would also provide to USAID, within 120 days after the date of the signing of the Minutes of this meeting, the statements of its oilseed strategy and other matters as requested above.

4. It was clarified that "U.S. Fiscal Year 1976" meant the period from July 1, 1975 to June 30, 1976 which, for purposes of the amendment under discussion, was being extended by the period July 1 through September 30, 1976.

The above sets forth the understanding between the Government of Pakistan and the United States Government.,

FOR THE GOVERNMENT OF PAKISTAN

By: AFTAB AHMAD KHAN

Name: Aftab Ahmad Khan

Title: *Secretary, Economic Affairs Division*

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

By: JOSEPH C. WHEELER

Name: Joseph C. Wheeler

Title: *Minister-Counsellor, Director*

MONTHLY REPORT OF EDIBLE OIL REQUIREMENTS AND SUPPLIES
 (In Thousands of Tons)

ANNEX A

	Current Month (Actual)	For the Month of 197 Monthly Amounts Succeeding 12 Months (projected) ¹
1. Vegetable Ghee Production Target		
2. Edible Oil Requirements (Government Account)		
a. For Ghee Production		
b. For Sale of Refined Oil		
c. Other		
3. Estimated Amount of Direct Consumption and Non-Govt. Processing of edible oil		
4. Edible Oil Supplies		
a. Estimated Domestic Production		
1) Cotton Seed Oil		
2) Other		
3) Total		
b. Government Procurement		
1) Beginning Govt. Stocks		
2) Domestic Procurement		
3) Imports (Include source and nature of financing where contracted or under negotiation) ²		
(a) Palm Oil		
(b) Soybean Oil		
(c) Other		
5. Total		

¹ Monthly reports for the months of January-June may show projected amounts only through the following December.

² E.g. (a) Palm oil: Singapore, cash, XXX tons; (b) Soybean Oil: U.S., CCC, XXX tons; U.S., PL 480, XXX tons.
 (c) Other, Butter Oil: ECG, grant XXX tons.

Note: This report is due on the last day of the month following the month covered by the report.

*The American Ambassador to the Pakistani Secretary, Economic Affairs
Division, Ministry of Finance, Planning and Economic Affairs*

EMBASSY OF THE
UNITED STATES OF AMERICA
ISLAMABAD

August 20, 1976

SIR:

I have the honor to refer to the Public Law 480, Title I Agricultural Sales Agreement signed by the representatives of our two Governments on August 7, 1975, as amended February 5, and August 10, 1976 respectively, and to propose that this Agreement be further amended as follows:

(A) In Part II, Item I, Commodity Table:

- (1) Under the appropriate columns for Wheat/wheat flour, delete "1976", "500,000", and "\$73.7" and insert in lieu thereof "1976 plus July 1 through December 31, 1976", "650,000", and "\$92.5", respectively; and
- (2) After "Total" under column entitled "Maximum Export Market Value", delete "\$100.5" and insert in lieu thereof "119.3".

(B) In Part II, Item III, Usual Marketing Table: For Wheat and/or wheat flour (on a grain equivalent basis), under column entitled "Import Period", delete "1976" and insert in lieu thereof "1976 plus July 1 through December 31, 1976"; and

(C) In Part II, Item IV, Export Limitations, delete language in paragraph A and insert the following in lieu thereof:

"The export limitation period for Wheat/wheat flour shall be the United States fiscal year 1976 plus July 1 through December 31, 1976, and for Soybean/Cottonseed Oil shall be the United States fiscal year 1976 plus July 1 through September 30, 1976, or any subsequent United States fiscal year during which commodities financed under this agreement are being imported or utilized."

Except as amended hereby, all other terms and conditions of the August 7, 1975 Title I Agreement, as amended February 5, and August 10, 1976 shall remain the same.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration.

HENRY A. BYROADE

Henry A. Byroade
Ambassador

Mr. AFTAB AHMAD KHAN

Secretary

Economic Affairs Division

Ministry of Finance, Planning and Economic Affairs

Government of Pakistan

Islamabad

The Pakistani Secretary, Economic Affairs Division, Ministry of Finance, Planning and Economic Affairs, to the American Ambassador

FROM: AFTAB AHMAD KHAN,
SECRETARY

GOVERNMENT OF PAKISTAN
MINISTRY OF FINANCE, PLANNING
AND ECONOMIC AFFAIRS
(ECONOMIC AFFAIRS DIVISION)

No. 1(2)US-VI/76

ISLAMABAD, the 20th August 1976.

DEAR MR. AMBASSADOR,

I have the honour to acknowledge with thanks the receipt of your letter dated August 20, 1976, proposing to further amend the PL 480 Title I Agreement of August 7, 1975, as amended on February 5, and August 10, 1976 to provide for the delivery of an additional quantity of 150,000 tons of wheat valued at approximately \$18.8 million.

2. The text of your letter under reference is reproduced below:—

"I have the honour to refer to the Public Law 480, Title I Agricultural Sales Agreement signed by the representatives of our two Governments on August 7, 1975, as amended February 5, and August 10, 1976 respectively, and to propose that this Agreement be further amended as follows:

(A) In Part II, Item I, Commodity Table:

- (1) Under the appropriate columns for Wheat/wheat flour, delete "1976", "500,000", and "\$73.7" and insert in lieu thereof "1976 plus July 1 through December 31, 1976", "650,000", and "\$92.5", respectively; and
- (2) After "Total" under column entitled "Maximum Export Market Value", delete "\$100.5" and insert in lieu thereof "119.3".

(B) In Part II, Item III, Usual Marketing Table:
For Wheat and/or wheat flour (on a grain equivalent basis), under column entitled "Import Period", delete "1976" and insert in lieu thereof "1976" plus July 1 through December 31, 1976"; and

(C) In Part II, Item IV, Export Limitations, delete language in paragraph A and insert the following in lieu thereof:

"The export limitation period for Wheat/wheat flour shall be the United States fiscal year 1976 plus July 1 through December 31, 1976, and for Soybean/Cottonseed Oil shall be the United States fiscal year 1976 plus July 1 through September 30, 1976, or any subsequent United States fiscal year during which commodities financed under this agreement are being imported or utilized".

Except as amended hereby, all other terms and conditions of the August 7, 1975 Title I Agreement, as amended February 5, and August 10, 1976 shall remain the same.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration."

I write to concur in the contents of your letter and to confirm that this exchange of letters between us shall constitute an agreement between our two Governments.

With kind regards,

Yours sincerely,

AFTAB AHMAD KHAN
(Aftab Ahmad Khan)

Mr. HENRY A. BYROADE,
*Ambassador of the United States
of America,
Islamabad.*

Minutes of the Meeting Held August 19, 1976, Regarding the August 20, 1976, Amendment to the Fiscal Year 1976, PL 480, Title I Agreement, Signed on August 7, 1975, as Amended February 5, 1976, and August 10, 1976

1. The Government of Pakistan ("Pakistan") and the United States Government ("USG") representatives agreed that the Minutes of the meeting held on July 27, 1976 would likewise be applicable

to the August 20, 1976 Amendment including the extent to which the Minutes of the July 29, 1975 meeting and the January 22, 1976 meeting were also incorporated and made applicable to the August 10, 1976 Amendment.

2. The USG representatives expressed the concern of the people of the United States over the damage caused by the abnormal rains and floods.

The USG representatives stated that this latest Amendment to the PL 480 Agreement was a direct result of the USG desire to assist Pakistan in its efforts to recover from the flood damage. The wheat financed under this Amendment will serve two purposes. It will help fill the food deficit caused by the flood and the equivalent of the rupees obtained by sale of the wheat can be used to help finance repairs to rural infrastructure and the agriculture sector.

3. The Pakistan representatives stated that the damage was indeed extensive. Millions of people have been affected by the floods and hundreds of thousands of homes have been destroyed or severely damaged. The transportation network in the flood areas has been broken at numerous points and will require extensive repairs. This disruption in transportation has slowed economic development progress. Damage to standing crops has been heavy. Pakistan's two major foreign exchange earners, cotton and rice, have been particularly hard hit. Stored crops, just harvested, have also suffered heavy losses. The loss of stored wheat is of particular concern to the Government.

4. The Pakistan representatives agreed to allocate an amount of local currency equal to the sales proceeds from the wheat being provided under this Amendment for the purpose of reconstruction and rehabilitation in the economic sectors set forth in Article VI of the August 7, 1975 Sales Agreement so that the economy of Pakistan could recover as rapidly as possible from the effects of the flood and so that Pakistan could continue its efforts to improve the conditions of its poor majority.

5. The USG representatives pointed out that the supply period is being extended to December 31, 1976, but that any shipment after September 30, 1976 will count against the Fiscal Year 1977 projected Title I allocation for Pakistan.

6. The USG representatives also pointed out that the Usual Marketing Requirement (UMR) for wheat of 279,500 metric tons will remain the same during the amended supply period, that is until December 31, 1976. However, this UMR will be reviewed if and when a Fiscal Year 1977 Title I Agreement is considered and that UMR period will be for October 1, 1976 through September 30, 1977.

7. It is recognized that in addition to the supply period the new Amendment also extends the export limitation period for wheat/wheat flour to December 31, 1976.

The above sets forth the understanding between the Government of Pakistan and the United States Government.

FOR THE GOVERNMENT OF PAKISTAN

By: AFTAB AHMAD KHAN

Name: Aftab Ahmad Khan

Title: *Secretary, Economic Affairs Division*

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

By: HENRY A. BYROADE

Name: Henry A. Byroade

Title: *The Ambassador of the United States of America*

FEDERAL REPUBLIC OF GERMANY

Transportation: Cooperation on Development of High Speed Ground Systems

*Memorandum of understanding signed at Bonn June 12, 1973;
Entered into force June 12, 1973.*

And amending agreement

Effectuated by exchange of letters

*Signed at Washington and Bonn-Bad Godesberg March 23 and
June 9 and 15, 1976;
Entered into force June 15, 1976.*

MEMORANDUM OF UNDERSTANDING

between the FEDERAL MINISTRY FOR RESEARCH AND TECHNOLOGY and the FEDERAL MINISTRY OF TRANSPORT OF THE FEDERAL REPUBLIC OF GERMANY on the one hand and the DEPARTMENT OF TRANSPORTATION OF THE UNITED STATES OF AMERICA on the other hand regarding cooperation on the development of advanced ground transportation, particularly tracked, levitated high speed transportation systems.

1. The Federal Ministry for Research and Technology, the Federal Ministry of Transport, on the one hand, and the Department of Transportation of the United States on the other shall,

In the knowledge that new developments in the field of transportation technology can make an important contribution towards solving transportation problems in both countries during the coming decades,

In view of the fact that both countries are promoting comprehensive research and development work on advanced transportation technologies,

In view of the progress made to date in the development of relevant systems, and

In anticipation that equal advantages for both parties will result from a link between the programs of both countries

cooperate on the further development of advanced ground transportation technologies, particularly tracked, levitated high-speed transportation systems.

(3831)

TIAS 8402

2. This cooperation may include:

The exchange of information regarding programs and projects, research results, publications;

The exchange of scientific and technical staff;

The joint organization of symposia or conferences; and

The execution of joint systems analyses, scientific or technical projects.

The specific details of cooperation among the parties will be established on a case-by-case basis by the contracting parties, or, if the parties agree, by their designated agents.

3. The cooperative program shall cover, but need not be limited to, the following areas:

The underlying traffic and transport policy assumptions as well as the consequences of the introduction of advanced transportation systems;

The principles of the development of levitated transportation systems (magnetic and air cushion);

Fundamental questions regarding the development of linear electric motors; and

The establishment of the optimal parameters for levitated transportation systems.

4. To administer and facilitate this cooperation, each party shall designate an appropriate official as its program coordinator within thirty days of the entry into force of this Memorandum of Understanding. These program coordinators shall:

Work out initial, specific cooperative undertakings;

Provide a point of contact for the parties in proposing and making other detailed arrangements for program activity, including activity involving the participation of other ministries or departments, governmental agencies, or the private sector; and,

Arrange for regular reviews of the status and achievements of the overall program and its component projects, to be conducted at least once a year.

5. Cooperation may involve exchanges of patent rights and industrial know-how on a reciprocal basis. To the extent that cooperation involves patent rights or the industrial know-how of third parties of which the parties cannot avail themselves without the prior consent of such third parties, each of the parties shall, on behalf of the other, request that this knowledge be also incorporated, as far as practicable, in the cooperation program.

6. The rights and obligations of the parties to this cooperation program with regard to inventions resulting from such cooperation program shall be established under special agreements concluded among those concerned.

7. If no arrangement to the contrary is made in the individual case, each party shall itself bear the costs devolving on it as a result of the cooperation.

The obligations of the parties shall be subject to the availability of budgetary funds.

8. The Memorandum of Understanding shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the United States of America within three months from the date of entry into force of the Memorandum of Understanding.

9. The Memorandum of Understanding shall be valid for a period of five years from the date of entry into force; it may be extended by the written agreement of the parties. Each party may terminate the present agreement by giving three months written notice to that effect.

10. This Memorandum of Understanding shall enter into force on the date of signature.

Done at Bonn on June 12, 1973

CLAUDE S BRINEGAR

*The Secretary of Transportation
of the United States of
America*

*The Federal Minister for Research
and Technology of the Federal
Republic of Germany*

HORST EHMKE

*The Federal Minister of Transport
of the Federal Republic of Germany*

DR. LAURITZ LAURITZEN

VEREINBARUNG

zwischen dem BUNDESMINISTER FÜR FORSCHUNG UND TECHNOLOGIE und dem BUNDESMINISTER FÜR VERKEHR DER BUNDESREPUBLIK DEUTSCHLAND einerseits und dem VERKEHRSMINISTERIUM DER VEREINIGTEN STAATEN VON AMERIKA andererseits über Zusammenarbeit bei der Entwicklung von fortgeschrittenen Landverkehrssystemen, insbesondere spurgebundenen Schnellverkehrssystemen mit berührungsfreier Fahrtechnik

1. Der Bundesminister für Forschung und Technologie sowie der Bundesminister für Verkehr und das Verkehrsministerium der Vereinigten Staaten—

in der Erkenntnis, daß neue verkehrs-technologische Entwicklungen einen wichtigen Beitrag zur Lösung der Transportprobleme der kommenden Jahrzehnte in beiden Ländern leisten können,

angesichts der Tatsache, daß beide Länder umfangreiche Forschungs- und Entwicklungsarbeiten für neuartige Verkehrstechnologien fördern,

in Anbetracht der Fortschritte, die bisher bei der Entwicklung entsprechender Systeme erzielt worden sind,

in der Erwartung, daß eine Verbindung zwischen den Programmen beider Länder beiden Seiten ausgewogene Vorteile bringen kann—

werden bei der weiteren Entwicklung neuartiger landgebundener Verkehrstechnologien, insbesondere von spurgebundenen Schnellverkehrssystemen mit berührungsfreier Fahrtechnik, zusammenarbeiten.

2. Die Zusammenarbeit kann umfassen

den Austausch von Informationen über Programme und Projekte, Forschungsergebnisse, Veröffentlichungen,

den Austausch von wissenschaftlichem und technischem Personal,

die gemeinsame Veranstaltung von Symposien oder Konferenzen,

die Durchführung gemeinsamer Systemanalysen, wissenschaftlicher oder technischer Projekte.

Die Einzelheiten der Zusammenarbeit werden im knokreten Fall durch die Vertragsparteien oder—wenn die Vertragsparteien so übereinkommen—durch die von diesen bezeichneten Stellen besonders geregelt.

3. Das Programm der Zusammenarbeit soll sich insbesondere auf folgende Bereiche beziehen:

verkehrspolitische Grundlagen neuer Transportsysteme und die Auswirkungen ihrer Einführung in das allgemeine Verkehrsnetz,

Prinzipien der Entwicklung von Transportsystemen mit berührungsfreier Fahrtechnik (Magnet- und Luftkissen),

grundsätzliche Fragen zur Entwicklung elektrischer Linearmotoren,

Ermittlung der günstigsten Parameter für berührungsreie Transportsysteme.

4. Zur Betreuung und Erleichterung der Zusammenarbeit werden die Vertragsparteien je einen geeigneten offiziellen Vertreter als Programm-Koordinator binnen 30 Tagen nach Inkrafttreten dieser Vereinbarung benennen. Diese Programm-Koordinatoren sollen

erste spezielle Zusammenarbeitsvorhaben ausarbeiten,

eine Kontaktstelle der Vertragsparteien darstellen, die weitere detaillierte Programmabsprachen unterbreitet, einschließlich solcher Aktivitäten, die die Teilnahme anderer Regierungsstellen, öffentlicher Einrichtungen oder des Privatsektors umfassen, und

regelmäßige Bestandsaufnahmen über Stand und Ergebnisse des Gesamtprogramms und seiner Teilprojekte organisieren, und zwar wenigstens einmal jährlich.

5. Die Zusammenarbeit kann den Austausch von Schutzrechten und industriellen Know-how auf der Grundlage der Gegenseitigkeit umfassen.

Soweit die Zusammenarbeit Schutzrechte oder industrielles Know-how Dritter betrifft, über das die Vertragsparteien nicht ohne deren Zustimmung verfügen können, werden sich die Vertragsparteien bei diesen Dritten dafür verwenden, daß auch diese Kenntnisse soweit vertretbar in die Zusammenarbeit einbezogen werden können.

6. Rechte und Pflichten der Partner der Kooperation in Bezug auf Erfindungen, die bei der Zusammenarbeit entstehen, werden durch besondere Vereinbarungen unter den Betroffenen geregelt.

7. Falls keine abweichende Regelung im Einzelfall getroffen wird, trägt jede Vertragspartei selbst die Kosten, die ihr durch die Zusammenarbeit entstehen.

Die Verpflichtungen der Vertragsparteien machen sich nach der Verfügbarkeit von Haushaltsmitteln.

8. Die Vereinbarung gilt auch für das Land Berlin, sofern nicht die Regierung der Bundesrepublik Deutschland gegenüber der Regierung der Vereinigten Staaten von Amerika innerhalb von drei Monaten nach Inkrafttreten der Vereinbarung eine gegenteilige Erklärung abgibt.

9. Die Vereinbarung gilt für die Dauer von fünf Jahren; sie kann durch schriftliche Übereinkunft der Vertragsparteien verlängert werden. Jede Vertragspartei kann die Vereinbarung mit einer Frist von drei Monaten schriftlich kündigen.

10. Diese Vereinbarung tritt am Tage ihrer Unterzeichnung in Kraft.

Geschehen zu Bonn am 12. Juni 1978

CLAUDE S BRINEGAR

*Der Verkehrsminister der
Vereinigten Staaten von Amerika*

*Der Bundesminister
für Forschung und Technologie
der Bundesrepublik Deutschland*

HORST EHMKE

Der Bundesminister für Verkehr
der Bundesrepublik Deutschland

DR. LAURITZ LAURITZEN

[AMENDING AGREEMENT]

*The Secretary of Transportation to the German Minister of Research
and Technology*

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

MAR 23 1976

Honorable HANS MATTHOEFFER
Minister of Research and Technology
Federal Republic of Germany

DEAR MR. MINISTER:

I refer to our Memorandum of Understanding of June 12, 1973, regarding cooperation on the development of advanced ground transportation, particularly tracked, levitated high speed transportation systems. Despite changes during the past three years in national priorities for research on levitated systems, the program coordinators on both sides have responded well to the new situation, and have re-directed their cooperation into other areas of mutual interest and benefit. I continue to support this cooperative effort fully.

In addition, as a result of extensive work by our specialists during the past six months, a new and promising area of cooperation is under active development in the field of urban transportation technology. This work will involve binational assessments of automated guideway transit (AGT) technologies in the U.S. and the Federal Republic of Germany.

Looking ahead to the early conclusion of a specific project agreement on this subject, I think it would be desirable and useful to provide an explicit reference to the new area of cooperation within the terms of the 1973 Memorandum. I therefore propose that we amend paragraph 3 of that Memorandum by adding the sub-paragraph:

Urban transportation technologies

I also propose that this letter, together with your affirmative reply on this point, should be considered to constitute the amendment, and that the exchange of letters be regarded as an addendum to the 1973 Memorandum.

On a related point, I wish to inform you that I have now designated the Director of my Office of International Transportation Programs, the present incumbent of which is Dr. Ray W. Bronez, as the program coordinator for the US-German cooperation relation-

ship under the 1973 Memorandum. Dr. Bronez will advise his counterparts in your Ministry and the Ministry of Transport as to the names of our program officers responsible for specific areas of cooperation.

Sincerely,

WILLIAM T. COLEMAN JR

William T. Coleman, Jr.

The German Minister of Research and Technology to the Secretary of Transportation

HANS MATTHÖFER
BUNDESMINISTER
FÜR FORSCHUNG UND TECHNOLOGIE

53 BONN-BAD GODESBERG
POSTFACH 120370
STRESEMANNSTRASSE 2

9. JUNI 1976

Honorable WILLIAM T. COLEMAN, JR.
Secretary of Transportation
Washington, D.C. 20590
USA

SEHR GEEHRTER HERR KOLLEGE,
für Ihr Schreiben vom 23. März 1976 danke ich Ihnen.
Mit Ihnen bin ich der Auffassung, daß unser Memorandum of Understanding vom 12. Juni 1973 über die Zusammenarbeit bei der Entwicklung von fortgeschrittenen Landverkehrssystemen auch Stadtverkehrssysteme umfassen sollte. Deshalb stimme ich zu, den Paragraphen 3 des Memorandums zu ändern, indem dort der Sub-Paragraph

Urban transportation technologies

hinzugefügt wird.

Ich teile Ihre Ansicht, daß durch unseren Briefwechsel, den ich wie Sie als Zusatz zu dem Memorandum betrachte, die Änderung konstituiert ist.

Mit freundlichen Grüßen

HANS MATTHÖFER
(Hans Matthöfer)

Translation

HANS MATTHÖFER
FEDERAL MINISTER FOR
RESEARCH AND TECHNOLOGY

P.O. BOX 120870
STRESEMANNSTRASSE 2
53 BONN-BAD GODESBERG

JUNE 9, 1976

The Honorable WILLIAM T. COLEMAN, JR.
Secretary of Transportation
Washington, D.C. 20590, USA

DEAR COLLEAGUE:

Thank you very much for your letter of March 23, 1976. I share your view that our Memorandum of Understanding of June 12, 1973, regarding cooperation on the development of advanced ground transportation systems should include urban transportation systems as well. I therefore agree to an amendment of paragraph 3 of the Memorandum by adding a subparagraph on urban transportation technologies.

I share your view that our exchange of letters, which I, like you, consider an annex to the Memorandum, shall constitute this amendment.

Sincerely yours,

HANS MATTHÖFER
(Hans Matthöfer)

The Secretary of Transportation to the German Minister of Transport

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

MARCH 23, 1976

Honorable KURT GSCHIEDLE
Minister of Transport
Federal Republic of Germany

DEAR MR. MINISTER:

I refer to our Memorandum of Understanding of June 12, 1973, regarding cooperation on the development of advanced ground transportation, particularly tracked levitated high speed transportation systems. Despite changes during the past three years in national priorities for research on levitated systems, the program coordinators on both sides have responded well to the new situation, and have re-directed their cooperation into other areas of mutual interest and benefit. I continue to support this cooperative effort fully.

TIAS 8402

In addition, as a result of extensive work by our specialists during the past six months, a new and promising area of cooperation is under active development in the field of urban transportation technology. This work will involve binational assessments of automated guideway transit (AGT) technologies in the U.S. and the Federal Republic of Germany.

Looking ahead to the early conclusion of a specific project agreement with the Ministry of Research and Technology on this subject, I think it would be desirable and useful to provide an explicit reference to the new area of cooperation within the terms of the 1973 Memorandum. I therefore propose that we amend paragraph 3 of that Memorandum by adding the sub-paragraph:

Urban transportation technologies

I also propose that this letter, together with your affirmative reply on this point, should be considered to constitute the amendment, and that the exchange of letters be regarded as an addendum to the 1973 Memorandum.

On a related point, I wish to inform you that I have now designated the Director of my Office of International Transportation Programs, the present incumbent of which is Dr. Ray W. Bronez, as the program coordinator for the US-German cooperation relationship under the 1973 Memorandum. Dr. Bronez will advise his counterparts in your Ministry and the Ministry of Research and Technology as to the names of our program officers responsible for specific areas of cooperation.

Sincerely,

WILLIAM T. COLEMAN JR

William T. Coleman, Jr.

The German Minister of Transport to the Secretary of Transportation

DER BUNDESMINISTER FÜR VERKEHR 53 BONN-BAD GODESBERG 1
 POSTFACH 100 • KENNEDYALLEE 72

DEN 15. JUNI 1976

Honorable WILLIAM T. COLEMAN, JR.
Secretary of Transportation
Washington, D.C. 20590
U.S.A.

SEHR GEEHRTER HERR KOLLEGE,
haben Sie besten Dank für Ihre Anregung in Ihrem Schreiben vom
23. März 1976.

TIAS 8402

Ich teile Ihre Auffassung, daß das Memorandum of Understanding vom 12. Juni 1973 nach wie vor eine gute Grundlage für die deutsch-amerikanische Zusammenarbeit auf dem Gebiet der fortgeschrittenen Landverkehrssysteme darstellt. Deshalb stimme ich gern Ihrem Vorschlag zu, den Abschnitt 3 des Memorandums zu ändern, indem dort der Punkt

Stadtverkehrs-Technologien
(Urban Transportation Technologies)

hinzugefügt wird.

Ich halte es ebenfalls für ein zweckmäßiges Verfahren, diese Ergänzung durch unseren Briefwechsel rechtswirksam zu machen und unsere Schreiben als Anlagen zu dem Memorandum of Understanding vom 12. Juni 1973 anzusehen.

Mit freundlichen Grüßen

GSCHEIDLE
(Gscheidle)

THE FEDERAL MINISTER OF TRANSPORT

58 BONN-BAD GODESBERG
P.O. BOX 100
KENNEDYALLEE 72

JUNE 15, 1976

The Honorable WILLIAM T. COLEMAN, JR.
Secretary of Transportation
Washington, D.C. 205, USA

DEAR COLLEAGUE:

Thank you very much for the suggestion you made in your letter of March 23, 1976.

I share your view that the Memorandum of Understanding of June 12, 1973, continues to constitute a good basis for German-American cooperation regarding advanced ground transportation systems. I therefore gladly agree to your suggestion that paragraph 3 of the Memorandum be amended by adding a subparagraph on urban transportation technologies.

I also feel that it would be expedient to make this amendment legally effective by our exchange of letters and to consider our letters annexes to the Memorandum of Understanding of June 12, 1973.

Sincerely yours,

GSCHEIDLE
(Gscheidle)

ZAIRE
Agricultural Commodities

*Agreement signed at Kinshasa March 25, 1976;
Entered into force March 25, 1976.
With memorandum of understanding.
And amending agreement
Effectuated by exchange of notes
Signed at Kinshasa April 28, 1976;
Entered into force April 28, 1976.*

**AGREEMENT BETWEEN THE GOVERNMENT OF THE
UNITED STATES OF AMERICA AND THE GOVERNMENT
OF THE REPUBLIC OF ZAIRE FOR SALES OF AGRICUL-
TURAL COMMODITIES**

The Government of the United States of America and the Government of the Republic of Zaire,

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country) and the Republic of Zaire (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance including efforts to meet their problems of food production and population growth;

Recognizing the policy of the exporting country to use its agricultural productivity to combat hunger and malnutrition in the developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage, and distribution of agricultural food products, including the reduction of waste in all stages of food handling;

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended [¹] (hereinafter referred to as the Act), and the measures that the two Governments will take individually and collectively in furthering the above mentioned policies;

Have agreed as follows:

PART I—GENERAL PROVISIONS

ARTICLE I

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this agreement.

B. The financing of the agricultural commodities listed in Part II of this agreement will be subject to:

1. the issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and
2. the availability of the specified commodities at the time of exportation.

C. Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary agreement, within 90 days after the effective date of such supplementary agreement. Purchase authorizations shall include provisions relating to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this agreement shall be made within the supply periods specified in the commodity table in Part II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Part II. The Government of the exporting country may limit the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require, so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Part II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting

¹ 80 Stat. 1526; 7 U.S.C. § 1701 *et seq.*

country requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the commodities be transported in United States flag vessels. The Government of the importing country shall have no obligation to reimburse the Government of the exporting country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

ARTICLE II

A. Initial Payment

The Government of the importing country shall pay, or cause to be paid, such initial payment as may be specified in Part II of this agreement. The amount of this payment shall be that portion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for initial payment in Part II and payment shall be made in United States dollars in accordance with the applicable purchase authorization.

B. Currency Use Payment

The Government of the importing country shall pay, or cause to be paid, upon demand by the Government of the exporting country in amounts as it may determine, but in any event no later than one year after the final disbursement by the Commodity Credit Corporation under this agreement, or the end of the supply period, whichever is later, such payment as may be specified in Part II of this agreement pursuant to Section 103(b) of the Act (hereinafter referred to as the Currency Use Payment). The Currency Use Payment shall be that portion of the amount financed by the exporting country equal to the percentage specified for Currency Use Payment in Part II. Payment shall be made in accordance with paragraph H and for purposes specified in Subsections 104 (a), (b), (e), and (h) of the Act, as set forth in Part II of this agreement. Such payment shall be credited against (a) the amount of each year's interest payment due during the period

prior to the due date of the first installment payment, starting with the first year, plus (b) the combined payments of principal and interest starting with the first installment payment, until the value of the Currency Use Payment has been offset. Unless otherwise specified in Part II, no requests for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation of the exporting country under this agreement.

C. Type of Financing

Sales of the commodities specified in Part II shall be financed in accordance with the type of financing indicated therein. Special provisions relating to the sale are also set forth in Part II.

D. Credit Provisions

1. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of the dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the Initial Payment payable to the Government of the exporting country.

The principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

2. Interest on the unpaid balance of the principal due the Government of the exporting country for commodities delivered in each calendar year shall be paid as follows:

a. In the case of Dollar Credit, interest shall begin to accrue on the date of last delivery of these commodities in each calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary date of such date of last delivery and thereafter payment of interest shall be made annually and not later than the due date of each installment payment of principal.

b. In the case of Convertible Local Currency Credit, interest shall begin to accrue on the date of dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in each calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment payment shall be due on the

same date as the first installment and thereafter such interest shall be paid on the due dates of the subsequent installment payments.

3. For the period of time from the date the interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

E. Deposit of Payments

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates provided for in this agreement as follows:

1. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two Governments.

2. Payments in the local currency of the importing country (hereinafter referred to as local currency), shall be deposited to the account of the Government of the United States of America in interest bearing accounts in banks selected by the Government of the United States of America in the importing country.

F. Sales Proceeds

The total amount of the proceeds accruing to the importing country from the sale of commodities financed under this agreement, to be applied to the economic development purposes set forth in Part II of this agreement, shall be not less than the local currency equivalent of the dollar disbursement by the Government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential), provided, however, that the sales proceeds to be so applied shall be reduced by the Currency Use Payment, if any, made by the Government of the importing country. The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the Government of the importing country to private or non-governmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall furnish, in accordance with its fiscal year budget reporting procedure, at such times as may be requested by the Government of the exporting country but not less often than annually, a report of the receipt and expenditure of the proceeds, certified by the appro-

priate audit authority of the Government of the importing country, and in case of expenditures the budget sector in which they were used.

G. Computations

The computation of the Initial Payment, Currency Use Payment and all payments of principal and interest under this agreement shall be made in United States dollars.

H. Payments

All payments shall be in United States dollars or, if the Government of the exporting country so elects,

1. The payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the Government of the exporting country for payment of its obligations or, in the case of Currency Use Payments, used for the purposes set forth in Part II of this agreement; or

2. The payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations or, in the case of Currency Use Payments, used for the purposes set forth in Part II of this agreement in the importing country.

ARTICLE III

A. World Trade

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this agreement as friendly countries). In implementing this provision the Government of the importing country shall:

1. insure that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the usual marketing table set forth in Part II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this agreement.

2. take steps to assure that the exporting country obtains a fair share of any increase in commercial purchases of agricultural commodities by the importing country.

3. take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, diversion in transit, transshipment or use is specifically approved by the Government of the United States of America); and

4. take all possible measures to prevent the export of any commodity of either domestic or foreign origin, which is defined in Part II of this agreement, during the export limitation period specified in the export limitation table in Part II (except as may be specified in Part II or where such export is otherwise specifically approved by the Government of the United States of America).

B. Private Trade

In carrying out the provisions of this agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively.

C. Self-Help

Part II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. Reporting

In addition to any other reports agreed upon by the two Governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Part II, Item I of this agreement and any subsequent comparable period during which commodities purchased under this agreement are being imported or utilized:

1. the following information in connection with each shipment of commodities under the agreement: the name of each vessel; the date of arrival; the port of arrival; the commodity and quantity received; and the condition in which received;

2. a statement by it showing the progress made toward fulfilling the usual marketing requirements;

3. a statement of the measures it has taken to implement the provisions of Sections A 2 and 3 of this Article; and

4. statistical data on imports by country of origin and exports by country of destination, of commodities which are the same as or like those imported under the agreement.

E. Procedures for Reconciliation and Adjustment of Accounts

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records on the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. Definitions

For the purposes of this agreement:

1. delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier,

2. import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country.

3. utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country.

G. Applicable Exchange Rate

For the purposes of this agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate in effect on the date of payment by the importing country which is not less favorable to the Government of the exporting country than the highest exchange rate legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest exchange rate obtainable by any other nation. With respect to local currency:

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency.

2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first sentence of this Section G.

H. Consultation

The two Governments shall, upon request of either of them, consult regarding any matter arising under this agreement, including the operation of arrangements carried out pursuant to this agreement.

I. Identification and Publicity

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity in the same manner as provided for in Subsection 103(1) of the Act.

PART II—PARTICULAR PROVISIONS

ITEM I. Commodity Table:

<u>Commodity</u>	<u>Supply Period (U.S. Fiscal Year)</u>	<u>Approximate Maximum Quantity (metric tons)</u>	<u>Maximum Export Market Value (millions of dollars)</u>
Rice Milled	1976	27.000	\$8 TOTAL

ITEM II. Payment Terms:

Dollar Credit

1. Initial payment—5 percent
2. Currency use payment—Section 104(a)—10 percent
3. Number of installment payments—19
4. Balance payable—approximate equal annual installments
5. Due date of first installment payment—one year after date of last delivery of commodities in each calendar year
6. Interest rate—3 percent

ITEM III. Usual Marketing Table:

<u>Commodity</u>	<u>Import Period (U.S. Fiscal Year)</u>	<u>Usual Marketing Requirement</u>
Rice	1976	25,000 metric tons (of which at least 2,300 metric tons shall be from U.S.)

ITEM IV. Export Limitations:

A. The export limitation period shall be U.S. fiscal year 1976 or any subsequent U.S. fiscal year during which commodities financed under this agreement are being imported or utilized.

B. For the purpose of Part I, Article III, A4 of the agreement, the commodities which may not be exported are: for rice—rice in form of paddy, brown or milled.

ITEM V. Self-Help Measures:

- A. The Government of Zaire agrees to:

1. Encourage growth of the vocational schools and training in agricultural production methods and extension at all post secondary schools levels, as well as establish a framework for en-the-job training and upgrading of agricultural extension staff.

2. Furnish increased budgetary support to meet the logistic requirements of the agricultural extension service and agricultural research program, as well as supporting efforts to extend agricultural credit. Major emphasis should be placed on testing and multiplication of improved seeds and their distribution to farmers.

3. Allocate a large portion of the proceeds from this agreement as mutually agreed for: (a) the repair/maintenance of bridges, roads, and transport facilities with priority given to those which are directly related to the movement of agricultural produce; and (b) food production projects with emphasis on those programs aimed at increasing the production of foodstuffs.

4. Provide all logistic and other support necessary to successfully carry out the Ministry of Agriculture's planning and management service on which an AID advisory team is involved.

B. 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.

ITEM VI. Economic Development Purposes for 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 economic development sectors: agriculture—transportation—health.

B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

PART III—FINAL PROVISIONS

A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

B. This agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Kinshasa, in duplicate, this 25th day of March, 1976.

FOR THE GOVERNMENT OF FOR THE GOVERNMENT OF
THE REPUBLIC OF ZAIRE
UNITED STATES OF AMERICA

WALTER L CUTLER

Walter L. Cutler

*Ambassador of the
United States of America*

BOFOSSA W'AMB'EA NKOSO

Bofossa W'Amb'Ea Nkoso

*State Commissioner for Finance
[SEAL]*

ACCORD CONCLU ENTRE LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE ET LE GOUVERNEMENT DE LA REPUBLIQUE DU ZAIRE EN VUE DE LA VENTE DE PRODUITS AGRICOLES

Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République du Zaïre,

Reconnaissant qu'il est souhaitable de développer le commerce des produits agricoles entre les Etats-Unis d'Amérique (ci-après dénommée "le pays exportateur") et la République du Zaïre (ci-après dénommée "le pays importateur") et d'autres nations amies, d'une manière telle que ce développement ne risque pas de porter préjudice aux marchés habituels du pays exportateur pour ces produits ou d'affecter indûment les prix mondiaux de ces produits agricoles ou d'entraver les pratiques commerciales d'usage établies avec les pays amis;

Tenant compte de l'importance que revêt pour les pays en voie de développement le fait de s'efforcer de s'aider eux-mêmes en vue de parvenir à un plus haut degré d'indépendance, particulièrement en s'efforçant de faire face eux-mêmes aux problèmes que posent la production alimentaire et l'accroissement démographique;

Reconnaissant la politique du pays exportateur qui consiste à mettre sa productivité agricole au service de la lutte contre la faim et la sous-alimentation dans les pays en voie de développement, à encourager ces pays à relever leur propre production agricole et à les aider dans leur développement économique;

Reconnaissant la volonté du pays importateur d'améliorer sa propre production, ses installations d'entreposage et la distribution de ses denrées alimentaires agricoles, y compris la réduction des pertes à tous les stades de manutention des denrées;

Désirant préciser les conventions qui régiront les ventes de produits agricoles au pays importateur en vertu du titre I de la Loi sur le développement des échanges commerciaux et de l'aide en produits agricoles, telle que modifiée (ci-après dénommée "la Loi"), et les

dispositions que les deux Gouvernements prendront individuellement et collectivement en vue de favoriser l'application des politiques mentionnées ci-dessus;

Sont convenus de ce qui suit:

IÈRE PARTIE—DISPOSITIONS GENERALES

ARTICLE PREMIER

A. Le Gouvernement du pays exportateur s'engage à financer la vente de produits agricoles à des acheteurs autorisés par le Gouvernement du pays importateur conformément aux termes et conditions énoncés dans le présent accord.

B. Le financement de la vente des produits agricoles énumérés dans la IIème Partie du présent accord sera subordonné à:

1. La délivrance par le Gouvernement du pays exportateur d'autorisations d'achat et à l'acceptation de ces autorisations par le Gouvernement du pays importateur;
2. La disponibilité des produits visés, à la date prévue pour leur exportation.

C. Les demandes d'autorisations d'achat devront être faites dans un délai de 90 jours à compter de la date d'entrée en vigueur du présent accord et, en ce qui concerne tous autres produits ou toutes quantités supplémentaires prévus par tout accord supplémentaire, dans un délai de 90 jours à compter de la date d'entrée en vigueur dudit accord supplémentaire. Les autorisations d'achat comporteront des dispositions relatives à la vente et à la livraison des produits visés et toutes autres dispositions pertinentes.

D. Sous réserve d'autorisations contraires du Gouvernement du pays exportateur, les livraisons des produits vendus aux termes du présent accord seront effectuées au cours des périodes d'offre fixées au tableau des produits figurant dans la IIème Partie du présent accord.

E. La valeur de la quantité totale de chaque produit faisant l'objet des autorisations d'achat en vue d'un mode particulier de financement, autorisé aux termes du présent accord, ne devra pas dépasser la valeur marchande maximum d'exportation stipulée quant à ce produit et à ce mode de financement dans la IIème Partie du présent accord. Le Gouvernement du pays exportateur pourra fixer la limite de la valeur totale de chaque produit couvert par des autorisations d'achat et devant faire l'objet d'un mode particulier de financement suivant que baisse le prix de ce produit ou que d'autres facteurs de marché le nécessitent, de sorte que les quantités d'un tel produit, vendues conformément à un mode stipulé de financement ne dépassent pas sensiblement la quantité maximum approximative applicable stipulée dans la IIème Partie du présent accord.

F. Le Gouvernement du pays exportateur prendra à sa charge le fret différentiel afférent aux produits dont le transport à bord de

navires battant pavillon des Etats-Unis sera exigé par le Gouvernement du pays exportateur (soit environ 50 pour cent du tonnage des produits vendus aux termes du présent accord). Le fret différentiel sera réputé être égal à la différence, telle qu'elle aura été déterminée par le Gouvernement du pays exportateur, entre les frais de transport maritime encourus (plus élevés qu'ils ne l'auraient été autrement) et ceux résultant de l'obligation d'utiliser des navires battant pavillon des Etats-Unis pour le transport des produits en question. Le Gouvernement du pays importateur ne sera pas dans l'obligation de rembourser au Gouvernement du pays exportateur le fret différentiel financé par le Gouvernement du pays exportateur.

G. Dès que possible après que l'espace nécessaire à bord de navires battant pavillon des Etats-Unis aura été réservé par voie de contrat en vue de l'expédition des produits dont le transport à bord de navires battant pavillon des Etats-Unis est obligatoire, et au plus tard à la date à laquelle les navires arriveront au port de chargement, le Gouvernement du pays importateur ou les acheteurs autorisés par lui ouvriront une lettre de crédit, en dollars des Etats-Unis, d'un montant égal au coût estimatif du transport maritime desdits produits.

H. L'un ou l'autre Gouvernement pourra mettre fin au financement, à la vente et à la livraison des produits en vertu du présent accord, s'il juge qu'en raison de changement de conditions, il est inutile ou inopportun de continuer de financer, de vendre ou de livrer lesdits produits.

ARTICLE II

A. Paiement initial

Le Gouvernement du pays importateur effectuera ou fera en sorte que soit effectué tout paiement initial stipulé dans la IIème Partie du présent accord. Le montant de ce paiement représentera la proportion du prix d'achat (exclusion faite de tous frais de transport maritime qui pourraient y figurer) égale au pourcentage stipulé à titre de paiement initial dans la IIème Partie et ledit paiement sera effectué en dollars des Etats-Unis, conformément aux dispositions de l'autorisation d'achat applicable.

B. Paiement utilisant la monnaie locale

Le Gouvernement du pays importateur effectuera ou fera en sorte que soit effectué, à la demande du Gouvernement du pays exportateur et à raison de montants stipulés par lui, mais en aucun cas dans un délai de plus d'un an après le dernier décaissement fait par la Commodity Credit Corporation au titre du présent accord, ou au terme du délai d'approvisionnement, au dernier échu de ces termes, tout paiement qui pourrait être stipulé dans la IIème Partie du présent accord en vertu de la Section 103(b) de ladite Loi (clause ci-après dite du "Paiement utilisant la monnaie locale"). Le paiement utilisant la monnaie locale représentera la partie du montant financé par le pays exportateur et égale au pourcentage spécifié relativement au

paiement utilisant la monnaie locale dans la IIème Partie. Le paiement devra être effectué conformément au paragraphe H et dans les buts spécifiés à la Sous-section 104(a), (b), (e) et (h) de la Loi, dont l'énoncé figure dans la IIème Partie du présent accord. Ledit paiement devra être imputé a) au montant du paiement de chaque année en règlement des intérêts, dû durant la période précédant la date d'échéance du paiement de la première tranche, à compter de la première année, et b) au total du paiement en remboursement du principal et du paiement des intérêts, à compter du paiement de la première tranche, jusqu'à compensation de la valeur du paiement utilisant la monnaie locale. Sauf stipulation contraire dans la IIème Partie, aucune demande de paiement ne sera faite par le Gouvernement du pays exportateur antérieurement au premier décaissement effectué par la Commodity Credit Corporation du pays exportateur, suivant le présent accord.

C. Mode de financement

La vente des produits visés dans la IIème Partie sera financée selon le mode de financement indiqué dans ladite Partie. En outre, des dispositions spéciales relatives à ladite vente sont également énoncées dans la IIème Partie.

D. Dispositions relatives au crédit

1. En ce qui concerne les produits livrés au cours de chaque année civile aux termes du présent accord, le principal du crédit (ci-après dénommé "le principal") comprendra le montant en dollars décaissé par le Gouvernement du pays exportateur pour les produits (frais de transport maritime non compris) moins toute fraction du paiement initial payable au Gouvernement du pays exportateur.

Le principal sera payé conformément au calendrier des paiements figurant dans la IIème Partie du présent accord. Le premier versement sera dû et payable à la date fixée dans la IIème Partie du présent accord. Les versements suivants seront dus et payables à intervalles d'un an à compter de la date d'échéance du premier versement. Tout paiement imputable au principal pourra être effectué avant la date de son échéance.

2. Les intérêts portant sur le montant non payé du principal dû au Gouvernement du pays exportateur comme suite à la livraison de produits au cours de chaque année civile seront payés de la façon suivante:

- a) Dans le cas du crédit en dollars, les intérêts commenceront à courir à compter de la date de la dernière livraison de produits au cours de chaque année civile. Les intérêts seront payés au plus tard à la date à laquelle est due chaque tranche de remboursement du principal, excepté que si l'échéance de la première tranche tombe plus d'un an après ladite date de dernière livraison, le premier paiement d'intérêts sera effectué, au plus

tard, à une date correspondant exactement, au mois et au jour, à ladite date de dernière livraison et, par la suite, les intérêts seront payés annuellement et, au plus tard, à la date d'échéance de chaque tranche de remboursement du principal.

- b) Dans le cas du crédit en monnaie locale convertible, les intérêts commenceront à courir à compter de la date du décaissement en dollars du Gouvernement du pays exportateur. Lesdits intérêts seront payés annuellement dans un délai d'un an à compter de la date de la dernière livraison de produits au cours de chaque année civile, excepté que si la date d'échéance des tranches de paiement attribuables à ces produits ne tombe pas à une date correspondant exactement, au mois et au jour, à ladite date de dernière livraison, tous intérêts ainsi courus à la date d'échéance de la première tranche de remboursement seront dus à la même date que la première tranche de paiement et, par la suite, lesdits intérêts seront payés aux dates d'échéance des tranches de paiement suivantes.

3. En ce qui concerne la période allant de la date à laquelle les intérêts commenceront à courir jusqu'à la date d'échéance de la première tranche de paiement, les intérêts courus seront calculés au taux initial d'intérêt fixé dans la IIème Partie du présent accord. Par la suite, les intérêts courus seront calculés au taux d'intérêt définitif fixé dans la IIème Partie du présent accord.

E. Dépôts des versements

Le Gouvernement du pays importateur effectuera ou fera en sorte que soient effectués des versements au Gouvernement du pays exportateur d'un montant, en monnaie et aux taux de change stipulés dans le présent accord, de la façon suivante:

1. Les versements en dollars seront remis au Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, à moins qu'il ne soit convenu entre les deux Gouvernements d'une autre méthode de paiement;

2. Les versements en monnaie locale du pays importateur (ci-après dénommés "monnaie locale") seront déposés au compte du Gouvernement des Etats-Unis d'Amérique dans des comptes portant intérêt dans des banques désignées par le Gouvernement des Etats-Unis d'Amérique dans le pays importateur.

F. Recettes des ventes

Le montant total des fonds acquis au pays importateur par suite de la vente de produits financés aux termes du présent accord, et devant être affecté aux fins de développement économique énoncées dans la IIème Partie du présent accord, ne devra pas être inférieur à la somme en monnaie locale équivalente du décaissement en dollars effectué par le Gouvernement du pays exportateur dans le cadre du

financement des produits (en dehors du fret différentiel), étant entendu, cependant, que des recettes ainsi affectées sera déduit tout paiement utilisant la monnaie locale effectué par le Gouvernement du pays importateur. Le taux de change devant servir de base au calcul de cette équivalence en monnaie locale sera le taux auquel l'autorité monétaire centrale du pays importateur, ou son représentant autorisé, vend des devises étrangères en échange de monnaie locale à l'occasion de l'importation commerciale de produits identiques. Tous fonds ainsi acquis et prêtés par le Gouvernement du pays importateur à des organisations privées ou non gouvernementales le seront à un taux d'intérêt approximativement équivalent aux taux appliqués à des prêts semblables dans le pays importateur. Le Gouvernement du pays importateur devra fournir, suivant sa méthode d'établissement de rapports budgétaires portant sur l'exercice financier, à tous moments où le demanderait le Gouvernement du pays exportateur, mais à des intervalles de temps maximum d'un an, un bilan des recettes et des dépenses auquel ces recettes sont affectées, accompagné de la certification des services compétents du Gouvernement du pays importateur chargés de la vérification des comptes et, dans le cas des dépenses, de l'indication du secteur budgétaire auquel lesdites dépenses se rapportent.

G. Calculs

Le calcul du paiement initial, du paiement utilisant la monnaie locale et de tous les remboursements du principal et paiements des intérêts prévus par le présent accord sera effectué en dollars des Etats-Unis.

H. Paiements

Tous les paiements seront effectués en dollars des Etats-Unis ou, si le Gouvernement du pays exportateur en décide ainsi,

1. Lesdits paiements seront effectués en monnaies facilement convertibles de tiers pays, à un taux de change dont il sera mutuellement convenu, et seront utilisés par le Gouvernement du pays exportateur pour permettre à celui-ci d'acquitter ses obligations ou, dans le cas des paiements utilisant la monnaie locale, pour répondre aux buts énoncés dans la IIème Partie du présent accord;

2. Lesdits paiements seront effectués en monnaie locale au taux de change applicable stipulé à l'article III G de la Ière Partie du présent accord, en vigueur à la date à laquelle les paiements seront effectués, et seront, au gré du Gouvernement du pays exportateur, convertis en dollars des Etats-Unis au même taux, ou utilisés par le Gouvernement du pays exportateur pour acquitter ses obligations ou, dans le cas des paiements utilisant la monnaie locale, pour répondre aux buts, dans le pays importateur, énoncés dans la IIème Partie du présent accord.

ARTICLE III

A. Commerce mondial

Les deux Gouvernements prendront le maximum de précautions pour s'assurer que les ventes de produits agricoles effectuées conformément aux dispositions du présent accord ne portent pas préjudice aux marchés habituels du pays exportateur pour ces produits ou n'affectent pas indûment les prix mondiaux de ces produits agricoles ou n'entravent pas les pratiques commerciales d'usage établies avec les pays que le Gouvernement du pays exportateur considère comme étant des pays amis (dénommés "pays amis" dans le présent accord). Aux fins d'application de la présente clause, le Gouvernement du pays importateur devra:

1. s'assurer que le total de ses importations en provenance du pays exportateur et d'autres pays amis, payé au moyen de ressources du pays importateur, sera au moins égal à la quantité des produits agricoles qui pourraient être spécifiés dans le tableau des marchés habituels figurant dans le IIème Partie du présent accord durant chaque période d'importation indiquée dans ledit tableau et durant chaque période comparable suivante au cours de laquelle des produits dont l'achat sera financé aux termes du présent accord auront été livrés. Les importations de produits destinés à satisfaire à ces obligations concernant les marchés habituels au cours de chaque période d'importation devront être effectuées en plus des achats financés aux termes du présent accord;

2. prendre toutes dispositions pour assurer au pays exportateur une part équitable de tous achats commerciaux supplémentaires de produits agricoles par le pays importateur;

3. prendre toutes dispositions possibles pour empêcher la revente, le détournement en transit ou le transbordement à destination d'autres pays des produits agricoles achetés en vertu des dispositions du présent accord, ou l'utilisation de ces produits à des fins autres que celles devant satisfaire aux besoins du pays (sauf dans les cas où leur revente, leur détournement en transit, leur transbordement ou leur utilisation à d'autres fins que celles prévues seraient expressément approuvés par le Gouvernement des Etats-Unis d'Amérique);

4. prendre toutes dispositions possibles pour empêcher l'exportation de tous produits d'origine nationale ou étrangère, dont définition est donnée dans la IIème Partie du présent accord, durant la période de limitation des exportations spécifiée dans le tableau des limitations des exportations figurant dans la IIème Partie du présent accord (sauf stipulations particulières de la IIème Partie du présent accord ou dans le cas où de telles exportations seraient expressément approuvées par le Gouvernement des Etats-Unis d'Amérique).

B. Commerce privé

Aux fins d'application du présent accord, les deux Gouvernements s'efforceront d'assurer les conditions commerciales qui permettront aux négociants privés d'exercer leur commerce sans entrave.

C. Auto-assistance

La IIème Partie du présent accord décrit le programme que le Gouvernement du pays importateur a entrepris en vue d'améliorer sa production, ses installations d'entreposage et la commercialisation des produits agricoles. Le Gouvernement du pays importateur devra, dans les formes et aux dates auxquelles le Gouvernement du pays exportateur pourrait en faire la demande, fournir un rapport sur les progrès réalisés par le Gouvernement du pays importateur quant à l'application des mesures d'auto-assistance de cette nature.

D. Informations

En plus de tous autres rapports dont les deux Gouvernements sont convenus, le Gouvernement du pays importateur devra, au moins tous les trimestres au cours de la période d'approvisionnement spécifiée à la IIème Partie, Point I, du présent accord et lors de toute période ultérieure comparable durant laquelle des produits achetés aux termes du présent accord sont importés ou utilisés, communiquer ce qui suit:

1. Les renseignements ci-après concernant chaque expédition de produits relevant du présent accord: le nom de chaque navire, la date d'arrivée, le port d'arrivée, le produit et la quantité livrés, l'état dans lequel la cargaison a été livrée;
2. Un rapport indiquant les progrès réalisés en vue de satisfaire aux obligations relatives aux marchés habituels;
3. Un rapport exposant les mesures prises aux fins d'application des dispositions des sections A.2) et 3) du présent article;
4. Des informations statistiques sur les importations par pays d'origine et sur les exportations par pays destinataire, quant aux produits identiques ou similaires à ceux qui sont importés aux termes du présent accord.

E. Méthode de rapprochement et d'ajustement des comptes

Les deux Gouvernements devront chacun adopter toute méthode propre à faciliter le rapprochement de leurs relevés respectifs des montants financés en ce qui concerne les produits livrés durant chaque année civile. La Commodity Credit Corporation du pays exportateur et le Gouvernement du pays importateur pourront procéder à tous ajustements des comptes de crédit qu'ils jugeraient d'un commun accord comme étant appropriés.

F. Définitions

Aux fins d'application du présent accord:

1. La livraison sera réputés avoir eu lieu à la date du reçu à bord figurant dans le connaissance maritime signé ou paraphé pour le compte du transporteur;
2. L'importation sera réputée avoir eu lieu lorsque le produit visé aura passé la frontière du pays importateur et aura été dédouané, s'il y a lieu, par ledit pays;
3. L'utilisation sera réputée avoir eu lieu lorsque le produit visé aura été vendu aux négociants dans le pays importateur, sans restriction concernant son emploi dans ledit pays, ou lorsqu'il aura été distribué de toute autre manière au consommateur dans le pays.

G. Taux de change applicable

Aux fins d'application du présent accord, le taux de change applicable en vue de déterminer le montant de toute somme en monnaie locale devant être versée au Gouvernement du pays exportateur sera un taux en vigueur à la date de versement par le pays importateur qui ne sera pas moins favorable au Gouvernement du pays exportateur que le taux de change le plus élevé pouvant être légalement obtenu dans le pays importateur et un taux qui ne sera pas moins favorable au Gouvernement du pays exportateur que le taux de change le plus élevé pouvant être obtenu par tout autre pays. En ce qui concerne la monnaie locale:

1. Tant qu'un système de taux de change unitaire est maintenu en vigueur par le Gouvernement du pays importateur, le taux de change applicable sera le taux auquel l'autorité monétaire centrale du pays importateur, ou son agent autorisé, vend des devises étrangères en échange de monnaie locale;
2. Au cas où un système de taux de change unitaire ne serait pas maintenu en vigueur, le taux applicable sera le taux qui (selon qu'il en aura été convenu mutuellement par les deux Gouvernements) répondra aux conditions stipulées dans le premier alinéa de la présente section G.

H. Consultation

A la requête de l'un ou l'autre, les deux Gouvernements se consulteront en ce qui concerne toute question soulevée par le présent accord, notamment en ce qui concerne l'exécution des dispositions prévues en vertu du présent accord.

I. Identification et publicité

Le Gouvernement du pays importateur prendra toutes mesures dont il pourrait être mutuellement convenu avant la livraison en vue de procéder à l'identification des denrées alimentaires aux lieux de distribution dans le pays importateur et en vue d'assurer la publicité de la manière prévue au sous-paragraphe 103 (1) de la Loi.

PARTIE II—DISPOSITIONS PARTICULIERESPoint I. Tableau des produits:

<u>Produit</u>	<u>Période d'offre</u> (Année budgétaire des Etats-Unis)	<u>Quantité maximum approximative</u> (en tonnes métriques)	<u>Valeur maximum sur le marché d'exportation</u> (en millions de dollars)
Riz usiné	1976	27.000 tonnes TOTAL	\$ 8 \$ 8

Point II. Modalités de paiement:Crédit en dollars

1. Paiement initial—5 pour cent
2. Paiement utilisant la monnaie locale—Section 104 (A)—10 pour cent
3. Nombre de versements—19
4. Solde payable—en versements annuels approximativement égaux
5. Date d'échéance du premier versement—un an après la date de la dernière livraison de produits pour chaque année civile
6. Taux d'intérêt—3 pour cent

Point III. Tableau des marchés habituels;

<u>Produit</u>	<u>Période d'importation</u> (Année budgétaire des Etats-Unis)	<u>Obligations relatives aux marchés habituels</u>
Riz	1976	25.000 tonnes métriques (dont au moins 2.300 tonnes métriques doivent provenir des Etats-Unis)

Point IV. Limitation des exportations

A. La période de limitation des exportations est l'année budgétaire 1976 des Etats-Unis ou toute année budgétaire suivante des Etats-Unis au cours de laquelle les produits financés aux termes du présent accord sont importés ou utilisés.

B. Aux fins d'application de l'Article III A 4, Partie I, du présent accord, les produits qui ne doivent pas être exportés sont: pour le riz—le riz sous forme de paddy, brun ou usiné.

Point V. Mesures d'auto-assistance:A. Le Gouvernement du Zaïre convient:

1. d'encourager le développement des établissements d'enseignement professionnel et de la formation dans le domaine des méthodes de production agricole et de la vulgarisation agricole à tous les niveaux post-secondaires, ainsi que d'établir une structure propre à assurer la

formation en cours d'emploi et le reclassement du personnel de vulgarisation agricole;

2. d'assurer un appui budgétaire accru afin de faire face aux besoins logistiques du service de vulgarisation agricole et du programme de recherche agricole, ainsi que d'appuyer les efforts visant l'octroi de crédit agricole. Il importe d'attacher une attention particulière à l'essai et à la multiplication de semences améliorées et à la distribution de ces semences parmi les cultivateurs;

3. d'affecter une grande partie du produit monétaire du présent accord, de la manière mutuellement convenue, aux fins: A) de réparation ou d'entretien de ponts, de routes et de moyens de transport en donnant la priorité à ceux qui jouent un rôle direct dans le mouvement des produits agricoles, et B) de projets de production alimentaire, en mettant l'accent sur les programmes visant à accroître la production de denrées alimentaires;

4. d'assurer tout le soutien logistique et autre nécessaire pour mener à bonne fin les travaux du Service de planification et de gestion du Département de l'Agriculture auxquels prend part une mission consultative de l'A.I.D.

B. Dans la mise en oeuvre de ces mesures d'auto-assistance, il conviendra de s'attacher particulièrement à contribuer directement au progrès du développement dans les régions rurales pauvres et à donner aux pauvres la possibilité de participer activement à l'accroissement de la production agricole grâce à l'agriculture en petites exploitations.

Point VI. Objectifs de développement économique auxquels doit être consacré le produit des ventes revenant au pays importateur:

A. Les montants revenant au pays importateur sur la vente de produits financés en vertu du présent accord seront employés au financement du développement des secteurs économiques suivants: l'agriculture, les transports et la santé.

B. Dans l'emploi desdits montants à ces fins, il conviendra de mettre l'accent sur l'amélioration directe du mode de vie des couches les plus pauvres de la population du pays bénéficiaire et de leur aptitude à participer au développement de leur pays.

IIIÈME PARTIE—DISPOSITIONS FINALES

A. Le présent accord pourra être dénoncé pour toute raison par l'un ou l'autre des Gouvernements par notification de dénonciation adressée à l'autre Gouvernement et par le Gouvernement du pays exportateur si celui-ci juge que le programme d'auto-assistance décrit dans l'accord ne se déroule pas convenablement. Cette dénonciation ne réduira aucune des obligations financières que le Gouvernement du pays importateur aura contractées à la date de ladite dénonciation.

B. Le présent accord entrera en vigueur à la date de sa signature.

EN FOI DE QUOI, les représentants soussignés, dûment autorisés à cet effet, ont signé le présent accord.

FAIT à Kinshasa, en double exemplaire, le 25 mars 1976.

POUR LE GOUVERNEMENT DES
ETATS-UNIS D'AMERIQUE

WALTER L CUTLER

Walter L. Cutler
*Ambassadeur des Etats-Unis
d'Amérique*

POUR LE GOUVERNEMENT DE
LA REPUBLIQUE DU ZAIRE

BOFOSSA W'AMB' EA NKOSO

Bofossa W'Amb'Ea Nkoso
Commissaire d'Etat aux Finances
[SEAL]

Memorandum d'Accord

L'intention du Gouvernement de la République du Zaïre est de rétablir et d'utiliser le Secrétariat de Contrepartie sous l'autorité du Service du Plan, Bureau de la Présidence, afin de mettre à exécution, en collaboration avec l'Agence Américaine pour le Développement International, les objectifs convenus aux termes de l'Article VI de la Partie II des "Clauses Particulières" de l'Accord PL-480, Titre I, pour la vente de produits agricoles, signé par les représentants du Gouvernement de la République du Zaïre et du Gouvernement des Etats-Unis d'Amérique à Kinshasa, le 25 Mars 1976.

[SEAL] BOFOSSA W'AMB' EA NKOSO

Bofosa W'Amb'Ea Nkoso
Commissaire d'Etat aux Finances

FAIT à Kinshasa, ce 25ème jour du mois de Mars 1976.

Translation

Memorandum of Understanding

It is the intention of the Government of the Republic of Zaire to reestablish and use the Counterpart Secretariat under the authority of the Planning Department, Office of the Presidency, to achieve, in cooperation with the United States Agency for International Development, the objectives agreed upon in accordance with Article VI, Part II, "Special Provisions," of the PL-480 Agreement, Title I, for sales of agricultural commodities, signed by representatives of

the Government of the Republic of Zaire and the Government of the United States of America at Kinshasa, March 25, 1976.

BOFOSA W' AMB'EA NKOSO

Bofosa W'Amb'ea Nkoso
Commissioner of State for Finance

[SEAL]

DONE at Kinshasa, March 25, 1976

[AMENDING AGREEMENT]

The Secretary of State to the Zairian Commissioner of State for Foreign Affairs

APRIL 28, 1976

CITIZEN COMMISSIONER:

I have the honor to refer to the Title I P.L. 480 Agricultural Sales Agreement signed by representatives of our two governments on March 25, 1976, and propose that the Agreement be amended as follows:

(A) In Part II, Item I, Commodity Table: (1) under appropriate columns insert "cotton", "1976 plus July 1 through September 30, 1976", "16,000 bales", and "\$5.0"; and (2) under Maximum Export Market Value at line designated Total, delete "\$8.0", and insert "\$13.0".

(B) In Part II, Item III, Usual Marketing Table: (1) under appropriate columns insert "cotton", "1976 plus July 1 through September 30, 1976", and "none".

(C) In Part II, Item IV, Export Limitations: (1) at the end of the sentence in sub-paragraph B, delete the period and add "and for cotton—cotton and cotton textiles (including yarn and waste)".

All other terms and conditions of the March 25, 1976, P.L. 480 Title I Agreement as amended remain the same. I propose that this note and your reply concurring therein constitute agreement between our two governments effective on the date of your note in reply.

Accept, Citizen Commissioner, the assurances of my highest consideration.

HENRY A. KISSINGER

Citizen NGUZA KARL I. BOND

*Commissioner of State for Foreign Affairs
Kinshasa*

TIAS 8403

The Zairian Commissioner of State for Foreign Affairs and International Cooperation to the Secretary of State

KINSHASA, le 28 AVR 1976

REPUBLIQUE DU ZAIRE
MOUVEMENT POPULAIRE DE LA REVOLUTION
DEPARTEMENT DES AFFAIRES ETRANGERES
ET DE LA COOPERATION INTERNATIONALE
CABINET DU COMMISSAIRE D'ETAT

MONSIEUR LE SECRETAIRE D'ETAT,

J'ai l'honneur d'accuser réception de Votre lettre datée de ce jour par laquelle Votre Excellence a bien voulu porter à ma connaissance ce qui suit:

"CITOYEN COMMISSAIRE D'ETAT,

J'ai l'honneur de me référer au Titre I de la Loi Publique 480 relative à l'Accord de ventes agricoles signé par les représentants de nos deux Gouvernements le 25 Mars 1976, et de vous proposer les modifications suivantes à l'Accord:

(A) Dans la Partie II, Point I, "Tableau des Produits": (1) dans les colonnes correspondantes, ajouter "coton", "1976" plus 1er Juillet au 30 Septembre 1976", "16.000 ballots" et "\$5", (2) dans la colonne "Valeur maximum sur le marché d'exportation", à la ligne qui dit "Total", rayer "\$8" et mettre "\$13".

(B) Dans la Partie II, Point III, "Tableau des Marchés Habituels": (1) dans les colonnes correspondantes, ajouter "coton", "1976 plus 1er Juillet au 30 Septembre 1976" et "aucune".

(C) Dans la Partie II, Point IV, "Limitation des Exportations": (1) à la fin de la phrase dans le sous-paragraphe B, supprimer le point et ajouter "et pour le coton, —le coton et les textiles de coton (filé et bourré y compris)".

Tous les autres termes et conditions de l'Accord intervenu le 25 mars 1976 aux termes du Titre I, de la Loi Publique 480, amendée restent les mêmes. Je propose que cette note et votre réponse concernant les points mentionnés constituent un accord entre nos deux Gouvernements, effectif à la date de votre réponse.

Veuillez agréer, Citoyen Commissaire d'Etat, l'assurance de ma plus haute considération.

Sé/ HENRY A. KISSINGER",

Au nom du Conseil Exécutif du Zaïre, je marque mon accord pour ce qui précède et Vous prie d'agréer, Monsieur le Secrétaire d'Etat, les assurances de ma très haute considération.

*LE COMMISSAIRE D'ETAT AUX AFFAIRES
ETRANGERES ET A LA COOPERATION
INTERNATIONALE,*

NGUZA KARL I BOND
MEMBRE PERMANENT DU BUREAU POLITIQUE

• • •
Translation

REPUBLIC OF ZAIRE
DEPARTMENT OF FOREIGN AFFAIRS AND
INTERNATIONAL COOPERATION
OFFICE OF THE COMMISSIONER OF STATE

KINSHASA, April 28, 1976

MR. SECRETARY:

I have the honor to acknowledge receipt of Your Excellency's note of today's date informing me of the following:

[For the English language text, see p. 3863.]

On behalf of the Executive Council of Zaïre, I wish to state that I am in agreement with the foregoing and ask you to accept, Mr. Secretary, the assurances of my very high consideration.

NGUZA KARL I BOND
*Ngusa Karl I Bond
Commissioner of State for
Foreign Affairs and
International Cooperation
Permanent Member of the Politburo*

INDONESIA

Agricultural Commodities

Agreements amending the agreement of April 19, 1976, as amended.

Effectuated by exchange of notes

Signed at Jakarta October 15, 1976;

Entered into force October 15, 1976.

And exchange of notes

Signed at Jakarta October 18 and 19, 1976;

Entered into force October 19, 1976.

The American Ambassador to the Indonesian Minister of Foreign Affairs ad interim

No. 888

JAKARTA, October 15, 1976

EXCELLENCY:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, and September 11, 1976, [¹] and to propose that Part II, Particular Provisions, be further amended as follows to add bulgur and to increase the wheat/wheat flour component of the Agreement:

Item I, Commodity Table: Under appropriate column headings make following changes:

- (A) On line titled "Wheat/Wheat Flour" change "100,000" to "220,000" and "\$15.6" to "\$32.4".
- (B) Between the lines titled "Rice" and "Total" insert "Bulgur 1976 50,000 8.0".
- (C) On line titled "Total" change "\$103.2" to "\$128.0".

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

¹ TIAS 8308, 8379; *ante*, p. 2279; *ante*, p. 3534.

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

DAVID D NEWSOM

His Excellency

GENERAL MARADEN PANGGABEAN

Minister of Foreign Affairs ad interim
Jakarta

*The Indonesian Minister of Foreign Affairs ad interim to the
American Ambassador*



MINISTER FOR FOREIGN AFFAIRS
REPUBLIC OF INDONESIA

Jakarta, October 15, 1976.

No. :D. 0992 /76/01.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of October 15, 1976 which reads as follows :

" I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, and September 11, 1976, and to propose that Part II, Particular Provision, be further amended as follows to add bulgur and to increase the wheat/wheat flour component of the Agreement :

Item I, Commodity Table : Under appropriate column headings make following changes :

- (A) On line titled "Wheat/Wheat Flour" change "100,000" to "220,000" and "\$15.6" to "\$32.4".
- (B) Between the lines titled "Rice" and "Total" insert "Bulgur 1976 50,000 8.0".
- (C) On Line titled "Total" change "\$103.2" to "\$128.0".

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

Accept, Excellency, the renewed assurance of my highest consideration."

I have the honour to confirm that the proposed amendments as described in your Note are acceptable to my Government and to agree that Your Excellency's Note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the date of this Note.

Please, Excellency, accept the renewed assurance of my highest consideration.

[Signature] Minister of Foreign Affairs ad interim

[Signature] M. PANGGABEAN.

His Excellency
David D. Newsom
Ambassador of the United
States of America.
J A K A R T A

The American Ambassador to the Indonesian Minister of Foreign Affairs

No. 895

JAKARTA, October 18, 1976

EXCELLENCY:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, September 11 and October 15, 1976, and to propose that Part II, Particular Provisions, be further amended as follows to increase the total dollar value of the agreement:

Item I, Commodity Table: Under column heading titled "Maximum Export Market Value" make following changes:

- (A) On line titled "Rice" change "87.6" to "96.6".
- (B) On line titled "Total" change "\$128.0" to "\$137.0".

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

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

DAVID D NEWSOM

His Excellency

ADAM MALIK

*Minister of Foreign Affairs
Jakarta*

The Indonesian Minister of Foreign Affairs to the American Ambassador



MINISTER FOR FOREIGN AFFAIRS
REPUBLIC OF INDONESIA

Jakarta, October 19, 1976.

No. : D. 0991 /76/01.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of October 18, 1976 which reads as follows :

" I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, September 11 and October 15, 1976, and to propose that Part II, Particular Provisions, be further amended as follows to increase the total dollar value of the agreement :

Item I, Commodity Table: Under column heading titled "Maximum Export Market Value" make following changes :
(A) On line titled "Rice" change "87.6" to "96.6".
(B) On line titled "Total" change "\$128.0" to "\$137.0".

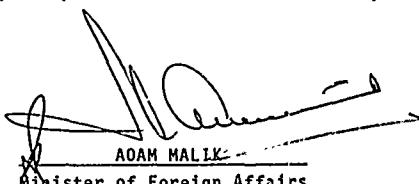
All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

Accept, Excellency, the renewed assurance of my highest consideration."

I have the honour to confirm that the proposed amendments as described in your Note are acceptable to my Government and to agree that Your Excellency's Note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the date of this Note.

Please, Excellency, accept the renewed assurance of my highest consideration.



ADAM MALIK
Minister of Foreign Affairs.

His Excellency
David D. Newsom
Ambassador of the United
States of America.
J A K A R T A .

CHILE

Agricultural Commodities

Agreement effected by exchange of notes
Signed at Santiago October 29, 1976;
Entered into force October 29, 1976.

The American Chargé d'Affaires ad interim to the Chilean Minister of Foreign Relations

EMBASSY OF THE UNITED STATES OF AMERICA
SANTALGO, CHILE

No. 319

OCTOBER 29, 1976

EXCELLENCY:

I have the honor to propose a new agreement for the sale of agricultural commodities, similar to the Title I PL-480 Agricultural Sales Agreements of October 25, 1974,[¹] and July 31, 1975,[²] as follows:

The Government of the United States of America and the Government of Chile agree to the sale of agricultural commodities specified below. This agreement shall consist of the Preamble, Parts I and III of the agreement signed on October 25, 1974, together with the following Part II:

PART II—Particular Provisions:

I. Commodity Table:

Commodity	Supply Period (U.S. Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions)
Wheat/Wheat Flour (Grain Basis)	1977	103,000	Dols. 15.0

II. Payment terms: Dollar credit

1. Initial payment—5 percent.
2. Currency use payment—Section 104(A) 5 percent.
3. Number of installment payments—19.

¹ TIAS 7993, S030; 25 UST 3395; 26 UST 259.

² TIAS 8188, 8262; 26 UST 2718; *ante*, p. 1551.

4. Amount of each installment payment—approximately equal annual amounts.
5. Due date of first installment payment—two years after date of last delivery of commodities in each calendar year.
6. Initial interest rate—2 percent.
7. Continuing interest rate—3 percent.

III. Usual Marketing Table:

Commodity	Import Period (U.S. Fiscal Year)	Usual Marketing Requirement (Metric Tons)
Wheat/Wheat Flour (Grain Basis)	1977	600,000

IV. Export Limitations:

A. The export limitation period shall be U.S. fiscal year 1977 or any subsequent U.S. fiscal year during which commodities financed under this agreement are being imported or used.

B. For the purpose of Part I, Article III A4 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).

V. Self-Help Measures:

A. In implementing the 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.

B. The Government of Chile agrees to:

1. Continue its present policy of allowing agricultural prices to remain at a level sufficient to give most farmers an adequate return on their investment.

2. Develop through the Ministry of Agriculture internal capabilities, including the recruitment and training of personnel, to collect, produce and analyze agricultural data needed to provide adequate agricultural and rural development policies.

3. Have the Ministry of Agriculture or another appropriate entity develop an area sample frame to provide estimates for production for all major crops.

4. Increase the availability of agricultural credit and facilitate access to this credit by small farmers.

5. Provide assistance and training to the small farmer recipients of titles under land reform so that they may achieve a level of farm operations that will increase their contribution to national agricultural production and generate greater income for the farm family.

VI. Economic Development Purposes for 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 the agreement and for the following agricultural development sectors: irrigation, agricultural research/intermediate technology, extension and farm management training, nutrition, and the promotion of small rural enterprises.

B. In the use of proceeds for these purposes, emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

Please accept, Excellency, the assurance of my highest and most distinguished consideration.

THOMAS D. BOYATT

Thomas D. Boyatt

Charge d'Affaires a.i.

His Excellency

Vice Admiral PATRICIO CARVAJAL P.
Minister of Foreign Relations
Santiago

*The Chilean Minister of Foreign Relations to the American Charge
d'Affaires ad interim*

REPUBLICA DE CHILE
MINISTERIO DE RELACIONES EXTERIORES

DE
No

SANTIAGO, 29 de Octubre de 1976.-

SEÑOR ENCARGADO DE NEGOCIOS A.I.:

Tengo el agrado de acusar recibo de su Nota de esta misma fecha, mediante la cual propone un nuevo acuerdo para la Venta de Productos Agrícolas y en la cual dice lo siguiente:

"Tengo el honor de proponer un nuevo acuerdo para la venta de productos agrícolas similar a los Convenios para la Venta de Productos Agrícolas bajo el Título I PL-480 suscritos el 25 de octubre de 1974, y el 31 de julio de 1975, como sigue:"

"El Gobierno de los Estados Unidos de América y el Gobierno de Chile han convenido sobre la venta de productos agrícolas especificados a continuación. Este acuerdo consistirá del Preámbulo, Capítulos I y III del acuerdo suscrito el 25 de octubre de 1974, con el siguiente capítulo II:"

"CAPÍTULO II—Disposiciones Especiales:

I. Tabla de Productos:

Producto	Período de Suministro (Año fiscal de EE.UU.)	Cantidad Máxima Aproximada (Toneladas métricas)	Valor Máximo en el mercado de Exportación (Millones)
Trigo/Harina de Trigo (Basado en Grano)	1977	103.000	Dols. 15,0

II. Términos de Pago: Crédito en dólares

1. Pago inicial—5 por ciento
2. Fondos de Contrapartida—Sección 104 (A) 5 por ciento.
3. Número de cuotas de pago—19
4. Cantidad de cada cuota de pago—montos anuales aproximadamente iguales
5. Fecha de vencimiento de la primera cuota de pago—dos años a partir de la fecha de la última entrega de productos en cada año civil.
6. Tasa de interés inicial—2 por ciento.
7. Tasa de interés continua—3 por ciento.

III. Tabla Normal de Comercialización:

Producto	Período de importación (Año Fiscal de EE.UU.)	Necesidades normales del mercado (Toneladas métricas)
Trigo/Harina de Trigo (Basado en Grano)	1977	600.000

IV. Limitaciones de Exportación:

A. El período de limitación de exportación será el año fiscal 1977 de los Estados Unidos o cualquier año fiscal subsiguiente de los Estados Unidos durante el cual se están importando o utilizando los productos financiados bajo este acuerdo.

B. Para los efectos del Capítulo I, Artículo III A4 del acuerdo, los productos que no podrán ser exportados son: para trigo/harina de trigo—trigo, harina de trigo, trigo machacado, sémola, harina tostada o bulgur (o el mismo producto con distinto nombre).

V. Medidas de Auto-ayuda:

A. Al llevar a cabo las medidas de auto-ayuda, se pondrá especial énfasis en contribuir directamente al progreso del desarrollo en las áreas rurales pobres, y hacer posible que las personas de escasos recursos puedan participar activamente en aumentar la producción agrícola por medio de pequeños predios agrícolas.

B. El Gobierno de Chile conviene en:

1. Continuar su actual política de permitir que los precios agrícolas se mantengan a un nivel que sea suficiente para asegurar a la mayoría de los agricultores un retorno adecuado sobre su inversión.

2. Desarrollar, por intermedio del Ministerio de Agricultura, la capacitación interna, incluyendo el reclutamiento y capacitación de personal para recoger, producir y analizar los datos necesarios para desarrollar adecuadas políticas agrícolas y de desarrollo rural.

3. Disponer que el Ministerio de Agricultura u otro organismo apropiado elabore estimadores aleatorios zonales para obtener datos estimativos de producción de todas las principales cosechas.

4. Aumentar la disponibilidad de créditos agrícolas y facilitar el acceso de los pequeños agricultores a estos créditos.

5. Proporcionar asistencia e instrucción a los pequeños agricultores que hayan recibido títulos de propiedad bajo la reforma agraria de modo que puedan alcanzar un nivel de operación que aumente su contribución a la producción nacional, y generar mayores ingresos para la familia agricultora.

VI. Fines de desarrollo económico para los cuales se utilizará el producto resultante a favor del país importador:

A. El producto resultante a favor del país importador de las ventas de productos financiados bajo el presente acuerdo será utilizado para financiar las medidas de autoayuda estipuladas en el acuerdo y para el desarrollo de los siguientes sectores agrícolas: irrigación, investigación agrícola/tecnología intermedia, capacitación e instrucción sobre administración agrícolas, nutrición, y promoción de pequeñas empresas rurales.

B. Al utilizar el producto para estos fines, se pondrá énfasis en mejorar directamente la vida de las personas de menos recursos en el pueblo del país receptor y su capacidad para participar en el desarrollo de su país.”

“Sírvase aceptar, Excelencia, las seguridades de mi más alta y distinguida consideración.”

Mi Gobierno concuerda con el texto transcritto precedentemente, por lo cual la Nota de Vuestra Excelencia y la presente comunicación, conforman un Acuerdo entre ambas Partes.

Aprovecho la oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

P CARVAJAL

Patricio Carvajal Prado
Ministro de Relaciones Exteriores

Al Honorable

Señor Don THOMAS D. BOYATT

Encargado de Negocios a.i.

Embajada de los Estados Unidos de América

Santiago.—

[SEAL]

TIAS 8405

Translation

REPUBLIC OF CHILE
MINISTRY OF FOREIGN RELATIONS

SANTIAGO, October 29, 1976

SIR:

I take pleasure in acknowledging receipt of your note of this date, in which you propose a new agreement for the sale of agricultural commodities and which reads as follows:

[For the English language text, see pp. 3871-3873.]

My Government concurs in the text transcribed above, and therefore Your Excellency's note and this reply shall constitute an agreement between the two Parties.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

P. CARVAJAL

Patricio Carvajal Prado
Minister of Foreign Relations

The Honorable

THOMAS D. BOYATT,

*Charge d'Affaires ad interim,
Embassy of the United States of America,
Santiago.*

EGYPT
Agricultural Commodities

*Agreement signed at Cairo October 26, 1976;
Entered into force October 26, 1976.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT FOR THE SALE OF AGRICULTURAL COMMODITIES UNDER THE PUBLIC LAW 480 TITLE I PROGRAM.

The Government of the United States of America and the Government of the Arab Republic of Egypt 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 June 7, 1974,^[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)	1977	1,000,000	\$ 121.3
Tobacco, and/or Tobacco Products	1977	4,000	\$ 15.9
Total			\$ 137.2

ITEM II. PAYMENT TERMS:

Dollar Credit

1. Initial Payment - 5 percent
2. Currency Use Payment - None
3. Number of Installment Payments - 19
4. Amount of Each Installment Payment - Approximately equal annual amounts.
5. Due Date of First Installment Payment - Two years after date of last delivery of commodities in each calendar year.
6. Initial Interest Rate - 2 percent
7. Continuing Interest Rate - 3 percent

¹ TIAS 7855; 25 UST 1246.

ITEM III. USUAL MARKETING TABLE:

<u>Commodity</u>	<u>Import Period</u>	<u>Usual Marketing Requirement</u>
(U.S. Fiscal Year)		
Wheat and/or Wheat Flour (Grain Equivalent Basis)	1977	2,600,000 MT
Tobacco and/or Tobacco products	1977	17,800 MT (of which 860 MT shall be imported from USA)

ITEM IV. EXPORT LIMITATIONS:

- A. The export limitation period shall be Fiscal Year 1977 or any subsequent fiscal year during which commodities financed under this agreement are being imported or utilized.
- B. For the purpose of Part I, Article III A4 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) and for tobacco and/or tobacco products--none.

ITEM V. SELF-HELP MEASURES:

- A. In implementing these self-help measures specific emphasis will be placed on contributing directly to development progress in poor rural areas and enabling the poor to participate actively in increasing agricultural production through small farm agriculture.
- B. The Government of Egypt agrees to undertake the following activities and to provide adequate budget support for their implementation:

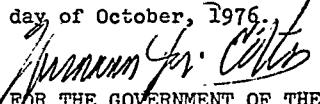
- (1) Expand its program of water and land management, including tile drainage, water usage and water control.
- (2) Develop scope of work or study program for determining actual magnitudes, and identify actions which would bring about improvement in the marketing of fruits and vegetables.
- (3) Identify needs for increased or improved storage facilities for edible oils and grains, including specific quantity targets for port areas, inland terminal locations, market towns, and farm storage. Initiate timely actions to meet these needs.
- (4) Strengthen systems for collection, computation and analysis of agricultural data and information including import, export and other related trade data for use in determining production, pricing, and marketing policies.
- (5) Strengthen the national program for making available to all levels of society information on the effect of rapid population growth on the family unit, the village and the nation.
- (6) Strengthen outreach capabilities for the delivery of social services such as health, nutrition and family planning to rural areas.

ITEM VI. ECONOMIC DEVELOPMENT PURPOSES FOR 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 the agreement and for the following economic development sector: agricultural and rural development.
- B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement. DONE at Cairo, in duplicate, this twenty-sixth

day of October, 1976. [1]


FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA


[2]
FOR THE GOVERNMENT OF THE
ARAB REPUBLIC OF EGYPT

¹ Hermann Fr. Eilts

² Zakaria M. Fattah

POLISH PEOPLE'S REPUBLIC

Certificates of Airworthiness for Imported Aircraft Products

*Agreement effected by exchange of notes
Signed at Washington November 8, 1976;
Entered into force November 8, 1976.*

The Secretary of State to the Polish Ambassador

NOVEMBER 8, 1976

EXCELLENCY:

I have the honor to refer to conversations which have taken place between representatives of our two Governments relating to the reciprocal acceptance of airworthiness certifications, in the course of which discussions were held regarding appropriate actions necessary to work towards common safety objectives and to establish standards which will be as similar as practicable. It is my understanding that the two Governments have reached an agreement as set out below. It is also my understanding that this Agreement does not relate to noise abatement or anti-pollution requirements.

1. This Agreement applies to those civil aeronautical products listed in the Annex to this Agreement which are certificated or approved by the exporting and importing States. The Annex may be amended, as necessary, from time to time, upon mutual agreement of the parties to this Agreement.

2. If the competent aeronautical authorities of the exporting State certify that a product produced in that State complies either with its applicable laws, regulations and requirements as well as any additional requirements which may have been prescribed by the importing State under paragraph 3 of this Agreement, or with applicable laws, regulations and requirements of the importing State, as notified by the importing State as being applicable in the particular case, the importing State shall give the same validity to the certification as if the certification had been made by its own competent aeronautical authorities in accordance with its own applicable laws, regulations and requirements.

3. The competent aeronautical authorities of the importing State shall have the right to make acceptance of any certification by the competent aeronautical authorities of the exporting State dependent upon the product meeting any additional requirements which the importing State finds necessary to ensure that the product meets a level of safety equivalent to that provided by its applicable laws, regulations and requirements which would be effective for a similar product produced in the importing State. The competent aeronautical authorities of the importing State shall promptly advise the competent aeronautical authorities of the exporting State of any such additional requirements.

4. The competent aeronautical authorities of each Contracting State shall keep the competent aeronautical authorities of the other Contracting State fully informed of all mandatory airworthiness modifications and special inspections which they determine are necessary in respect of imported or exported products to which this Agreement applies.

5. The competent aeronautical authorities of the exporting State shall, in respect of products produced in that State, assist the competent aeronautical authorities of the importing State in determining whether major design changes and major repairs made under the control of the competent aeronautical authorities of the importing State comply with the laws, regulations and requirements under which the product was originally certificated or approved.

6. The competent aeronautical authorities of each Contracting State shall keep the competent aeronautical authorities of the other Contracting State currently informed of all relevant laws, regulations and requirements in their State.

7. In the case of conflicting interpretations of the laws, regulations or requirements pertaining to certifications or approvals under this Agreement, the interpretation of the competent aeronautical authorities of the Contracting State whose law, regulation or requirement is being interpreted shall prevail.

8. For the purpose of this Agreement:

(a) "Products" means aircraft, engines, propellers and appliances listed in the Annex;

(b) "Aircraft" means civil aircraft of all categories, whether used in public transportation or for other purposes, and includes replacement and modification parts therefor;

(c) "Engines" means engines intended for use in aircraft as defined in (b) and includes engine accessories and engine replacement and modification parts therefor;

(d) "Propellers" means propellers intended for use in aircraft as defined in (b) and includes replacement and modification parts therefor;

(e) "Appliance" means any instrument, equipment, mechanism, apparatus or accessory used or intended to be used in operating an aircraft in flight, which is installed in, intended to be installed in, or attached to the aircraft as defined in (b), but is not part of an airframe, engine or propeller, and includes replacement and modification parts therefor;

(f) "Produced in one Contracting State" means that the product or component as a whole is fabricated in the exporting State; except that parts of a product fabricated in a State with which the importing State does not have a relevant bilateral airworthiness agreement may be used when approval is granted by the importing State, which will be done on a case-by-case basis;

(g) "Applicable laws, regulations and requirements" means:

(i) those airworthiness laws, regulations and requirements which are effective on the date the manufacturer applies for certification of the product in the importing State, or,

(ii) for products currently in production, those airworthiness requirements effective on the date of the latest amendment of the airworthiness requirements which were required to be used for the certification of the product in the exporting State or those airworthiness requirements of the importing State applicable to a similar product certificated to airworthiness requirements of the same date, or,

(iii) for products no longer in production, such airworthiness requirements as the competent aeronautical authorities of the importing State find acceptable in the particular case; and

(h) "Competent aeronautical authorities" means the authorities which according to the laws of the Contracting State concerned have the responsibility for airworthiness certification of civil aeronautical products and components.

9. The competent aeronautical authorities of each Contracting State shall make such mutual arrangements in respect of procedures as they deem necessary to implement this agreement, and to ensure that redundant certification, testing and analysis are avoided.

10. Each Contracting State shall keep the other Contracting State advised as to the identity of its competent aeronautical authorities.

11. Either Contracting State may terminate this Agreement at the expiration of not less than six months after giving written notice of that intention to the other State.

12. This Agreement shall terminate and replace the Agreement between the two Governments for the reciprocal validation of certifi-

cates of airworthiness, effected by an exchange of notes at Washington on September 16, 1965 and September 27, 1965.^[1]

Upon the receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the Polish People's Republic, the Government of the United States of America will consider that the present note and your reply thereto constitute an agreement between our two Governments on this subject which shall enter into force on the date of your reply.

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

For the Secretary of State:

PAUL BOEKER

His Excellency

Dr. WITOLD TRAMPCZYNSKI,
*Ambassador of the
Polish People's Republic.*

ANNEX

PRODUCTS FROM POLAND:

- (A) Civil glider aircraft, and replacement and modification parts therefor, designed and produced in Poland;
- (B) Piston engines of 1000 H.P. or less with associated propellers and accessories, and replacement and modification parts therefor, produced in Poland;
- (C) Small fixed-wing aircraft of 12,500 lbs. or less maximum take-off gross weight, and replacement and modification parts therefor, produced in Poland, and designed in Poland or the United States or in another State with which the United States has a bilateral airworthiness agreement covering such aircraft, provided that in this last case, responsibility for design control exists in Poland.

PRODUCTS FROM THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS:

U.S. designed and produced aircraft, engines, propellers and appliances.

¹ TIAS 5868; 16 UST 1208.

The Polish Ambassador to the Secretary of State

EMBASSY
OF THE POLISH PEOPLE'S REPUBLIC
WASHINGTON, D.C.

November 8, 1976

Ekscelencjo,

Mam zaszczyt potwierdzić odbiór noty Ekscelencji z dnia 8 listopada 1976 roku o następującej treści:

"Mam zaszczyt nawiązać do rozmów przeprowadzonych między przedstawicielami naszych obu Rządów w sprawie wzajemnego uznawania świadectw zdolności do lotów, w czasie których przedyskutowano podjęcie odpowiednich działań koniecznych dla osiągnięcia wspólnych celów w zakresie bezpieczeństwa oraz ustalenia standardów, które będą do siebie tak zblizone, jak jest to praktycznie możliwe. Rozumiem, że oba Rządy osiągnęły niżej ustalone Porozumienie. Rozumiem także, że niniejsze Porozumienie nie dotyczy zagadnień zwalczania hałasu lub wymogów w zakresie walki z zanieczyszczeniem.

1. Niniejsze Porozumienie stosuje się do tych wyróbów lotniczych wymienionych w Załączniku do niniejszego Porozumienia, które uzyskały świadectwo zdolności do lotów lub zostały zatwierdzone przez Państwo eksportujące i importujące. W przypadku konieczności i po wzajemnym uzgodnieniu przez strony niniejszego Porozumienia, Załącznik może być zmieniony od czasu do czasu.

2. Jeżeli właściwe władze lotnicze Państwa eksportującego uznają, że wyrób wykazany w tym Państwie spełnia stosowane przez nie prawa, przepisy i wymagania, jak również inne dodatkowe wymagania, które mogą być określone przez Państwo importujące zgodnie z ustępem 3 niniejszego Porozumienia albo stosowane prawa, przepisy i wymagania Państwa importującego, zgłoszone przez Państwo importujące jako obowiązujące w danym przypadku, wówczas Państwo importujące przyznaje świadectwu zdolności do lotu taki stopień ważności, jaki przyznaliby świadectwu wydanemu przez własne właściwe władze lotnicze zgodnie ze swymi stosowanymi prawami, przepisami i wymaganiami.

Jego Ekscelencja
Henry A. Kissinger
Sekretarz Stanu
Washington, D.C.

3. Właściwi włodze lotnicze Państwa importującego mają prawo uzałożenia uznania każdego świadectwa zdolności do lotu wydanego przez właściwe włodze lotnicze Państwa eksportującego, od spełnienia przez wyrób dodatkowych wymogów, które Państwo importujące uzną za konieczne dla zapewnienia posiadania przez wyrób poziomu bezpieczeństwa równorzędnego z poziomem bezpieczeństwa ustalonym w stosowanych prawach, przepisach i wymoganiach, które miałyby zastosowanie do podobnych wyrobów produkowanych w Państwie importującym. Właściwi włodze lotnicze Państwa importującego będą informować niezwłocznie właściwe włodze Państwa eksportującego o wszelkich tego rodzaju dodatkowych wymoganiach.

4. Właściwi włodze lotnicze każdego Umawiającego się Państwa będą przekazywać pełne informacje właściwym włodzom lotniczym drugiego Umawiającego się Państwa o wszelkich obowiązkowych zmianach dotyczących zdolności do lotów oraz przeglądach specjalnych, które uznają one za konieczne w odniesieniu do wyrobów importowanych lub eksportowanych, do których ma zastosowanie niniejsze Porozumienie.

5. Właściwi włodze lotnicze Państwa eksportującego udzielą pomocy właściwym włodzom lotniczym Państwa importującego w celu ustalenia, czy wprowadzone do wyrobów produkowanych w Państwie eksportującym poważne zmiany konstrukcyjne oraz wykonane znaczne naprawy, przeprowadzone pod nadzorem właściwych włodz lotniczych Państwa importującego zgodnie są z prawem, przepisami i wymoganiami, w oparciu o które wybór uzyskał pierwotne świadectwo zdolności do lotów lub został zatwierdzony.

6. Właściwe włodze lotnicze każdego Umawiającego się Państwa będą na bieżąco informować właściwe włodze lotnicze drugiego Umawiającego się Państwa o wszelkich stosowanych prawach, przepisach i wymoganiach w tych Państwach.

7. W przypadku rozbieżności w interpretacji praw, przepisów lub wymogów odnoszących się do wydawania świadectw zdolności do lotów lub zatwierdzzeń zgodnie z niniejszym Porozumieniem, będzie uznana jako rozstrzygająca interpretacja właściwych włodz lotniczych Umawiającego się Państwa, którego prawa, przepisy lub wymogania są przedmiotem interpretacji.

8. Dla celów niniejszego Porozumienia określenie:

a/ "Wyroby" – oznacza statek powietrzny, silniki, śmigła i osprzęt wymieniony w Załączniku.

b/ "Statek powietrzny" – oznacza cywilny statek powietrzny dowolnej kategorii stosowany zarówno dla celów transportu publicznego lub do innych celów oraz obejmuje zamienne i zmodyfikowane części do tego statku.

c/ "Silniki" – oznacza silniki przewidziane do zabudowy na statku powietrznym określonym w punkcie b/ i obejmują osprzęt silnika oraz zamienne i zmodyfikowane części do tych silników.

d/ "Smigła" oznacza śmigła przewidziane do zabudowy na statku powietrznym określonym w punkcie b/ i obejmujące zamienne i zmodyfikowane części do tych śmigiel.

e/ "Oprzęt" oznacza każdy przyrząd, wyposażenie, mechanizm, aparaturę lub agregat użyty lub przewidziany do użycia dla obsługi statku powietrznego w locie, który jest w nim zabudowany, przewidziany do zabudowania lub stanowiący dodatkowe wyposażenie statku powietrznego określonego w punkcie b/, ale nie stanowi części konstrukcji płatowca, silnika lub śmigła i obejmuje zamienne i zmodyfikowane części do tego oprzętu.

f/ "Wyprodukowany w jednym Umawiającym się Państwie" oznacza, że wyrób lub zespół jako całość jest wykonany w Państwie eksportującym z zastrzeżeniem, że mogą być użyte części wyrobu wykonanego w Państwie, z którym Państwo importujące nie posiada odpowiedniego dwustronnego porozumienia o uznawaniu świadectw zdolności do lotów, po uzyskaniu zgody od Państwa importującego; zgoda taką udzielana będzie dla każdego przypadku oddzielnie.

g/ "Stosowane prawa, przepisy i wymagania" oznacza:

- i/ te prawa, przepisy i wymagania dotyczące zdolności do lotów, które są obowiązujące w dniu wystąpienia twórcy o uznanie wyrobu za zdolny do lotu w Państwie importującym, lub
- ii/ w odniesieniu do wyrobów bieżąco produkowanych, te wymagania zdolności do lotów obowiązujące od daty ostatniej zmiany wymagań zdolności do lotów, których stosowanie było wymagane przy wydawaniu świadectw zdolności wyrobu w Państwie eksportującym lub te wymagania zdolności do lotów Państwa importującego stosowane do wydania świadectwa zdolności dla podobnego wyrobu wydanego według wymagań zdolności do lotów, obowiązujące w tym samym czasie, lub
- iii/ w odniesieniu do wyrobów już nie produkowanych, takie wymagania zdolności do lotów, które właściwe władze lotnicze Państwa importującego uznają za odpowiednie w poszczególnym przypadku, oraz

h/ "Właściwe władze lotnicze" oznacza władze, które zgodnie z prawami danego Umawiającego się Państwa są odpowiedzialne za orzekanie o zdolności do lotów cywilnych wyrobów lotniczych i części składowych tych wyrobów.

9. Właściwe władze lotnicze każdego Umawiającego się Państwa będą podejmować wspólne przedsięwzięcia, które uznają za konieczne w odniesieniu do procedury wprowadzenia w życie niniejszego Porozumienia i dla uniknięcia zbędnej oceny zdolności, przeprowadzenia zbędnych prób i obliczeń.

10. Każde Umawiające się Państwo przekaże drugiemu Umawiającemu się Państwu informację jakaś władze należy uważać za jego właściwe władze lotnicze.

11. Kożde Uknowiącze się Państwo może wypowiedzieć niniejsze Porozumienie pod warunkiem zawiadomienia drugiego Państwa o takim zamiarze w drodze pisemnej notyfikacji z wyprzedzeniem nie krótszym niż sześć miesięcy.

12. Niniejsze Porozumienie uchyla i zastępuje Porozumienie między obydwoma Rządami o wzajemnym uznaniu ważności świadectw zdolności do lotów, zawarte w drodze wymiany not w Waszyngtonie, dnia 16 września 1965 roku oraz dnia 27 września 1965 roku.

Po otrzymaniu noty od Jego Ekscelencji stwierdzającej, że powyższe postanowienia zostały zaakceptowane przez Rząd Polskiej Rzeczypospolitej Ludowej, Rząd Stanów Zjednoczonych Ameryki uznaje, że niniejsza nota i Pana odpowiedź na nią stanowią porozumienie w sprawie między naszymi obydwoma Rządami, które wejdzie w życie z datą Pana odpowiedzi.

Proszę przyjąć Ekscelencjo, ponowne zapewnienie o moim najwyższym poważaniu".

Mam zaszczyt zakomunikować zgodę mego Rządu na powyższe i przyjąć propozycję Ekscelencji, aby przytoczona wyżej nota oraz niniejsza odpowiedź na nią stanowiły porozumienie w sprawie, które wejdzie w życie w dniu dzisiejszym.

Korzystam z okazji, aby ponowić Ekscelencji wyraźe wysokiego poważania.

Trampczyński
Witold Trampczyński
Ambassador

Załącznik**WYROBY Z POLSKI:**

A. Zaprojektowane i wyprodukowane w Polsce cywilne szybowce oraz zamienne i zmodyfikowane części do tych szybowców.

B. Wyprodukowane w Polsce silniki tłokowe 1000 KM lub mniej, z towarzyszącymi śmigłami i agregatami oraz zamienne i zmodyfikowane części do tych silników.

C. Małe samoloty o maksymalnym ciężarze startowym 12.500 funtów lub mniej oraz zamienne i zmodyfikowane części do tych samolotów, wyprodukowane i zaprojektowane w Polsce lub w Stanach Zjednoczonych lub w innym Państwie, z którym Stany Zjednoczone posiadają dwustronne porozumienie o uznawaniu świadectw zdolności do lotów obejmujące te samoloty, z zastrzeżeniem, iż w tym ostatnim przypadku odpowiedzialność za nadzór nad projektowaniem spoczywa na Polsce.

WYROBY ZE STANOW ZJEDNOCZONYCH, ICH TERYTORIOW I POSIADŁOŚCI

Zaprojektowane i wyprodukowane w USA statki powietrzne, silniki, śmigła i osprzęt.

Translation

EMBASSY OF THE POLISH
PEOPLE'S REPUBLIC
WASHINGTON, D.C.

NOVEMBER 8, 1976

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note dated November 8, 1976, which reads as follows:

[For the English language text, see pp. 3882-3885.]

I have the honor to inform Your Excellency that my Government agrees with the contents of the above-mentioned note, and accepts Your Excellency's proposal that the above note and this reply shall constitute an agreement between our two Governments which shall enter into force on this date.

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

WITOLD TRAMPCZYNSKI

Ambassador

His Excellency

HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

ABU DHABI

**Collecting and Conserving Water Supplies
From Surface Runoff**

*Agreement signed at Abu Dhabi July 10, 1976;
Entered into force July 10, 1976.*

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

of the

UNITED STATES OF AMERICA

for

TECHNICAL ASSISTANCE IN CONNECTION WITH A PROJECT FOR
COLLECTING AND CONSERVING WATER SUPPLIES FROM SURFACE RUNOFF

Whereas the Government of the Emirate of Abu Dhabi, hereinafter referred to as the GOVERNMENT, has requested the Bureau of Reclamation, an agency of the Department of the Interior, Government of the United States of America, hereinafter referred to as RECLAMATION, to provide certain technical services, the details of which are given in Schedule A, for its project for collecting and conserving water supplies from surface runoff;

Whereas RECLAMATION has previously provided technical assistance in connection with the said project, and the GOVERNMENT has determined that it would be in its best interests to request RECLAMATION to provide further assistance;

Whereas the GOVERNMENT desires to enhance its capabilities to perform the types of work which are to be accomplished for the project; and

Whereas RECLAMATION, pursuant to the Act of Congress of June 17, 1902 (32 Stat. 388) [1] and acts amendatory thereof or supplementary thereto, hereinafter referred to as the RECLAMATION laws, and other acts of the Congress, particularly Public Law 195, 87th Congress, [2] has the authority and capability to provide the said services.

¹ 43 U.S.C. § 1457.

² 75 Stat. 424; 22 U.S.C. § 2151 note. [Footnotes added by the Department of State.]

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NOW THEREFORE the GOVERNMENT and RECLAMATION agree as follows:

ARTICLE I

RECLAMATION AGREES TO PROVIDE SERVICES

1. Subject to the Terms of Conditions hereinafter contained, RECLAMATION agrees to provide technical services to the GOVERNMENT as detailed in Schedule A.
2. RECLAMATION shall for the benefit of the Government keep accurate and systematic accounts and records in respect of services in such form and detail as is customary in its normal engineering practice and shall make such records and accounts available to the GOVERNMENT. RECLAMATION shall furnish to the GOVERNMENT all the information related to the services requested by the GOVERNMENT from time to time.

ARTICLE II

DOCUMENTS FORMING PART OF THIS AGREEMENT

The following documents shall form part of this Agreement:

- Schedule A — Terms of Reference
- Schedule B — RECLAMATION'S Time Schedule
- Schedule C — RECLAMATION'S Personnel and Estimate of Costs
- Schedule D — Financial Procedures

TIAS 8408

ARTICLE IIIOBLIGATION OF RECLAMATION

1. RECLAMATION shall carry out the services to the extent that funds are advanced by the GOVERNMENT as hereinafter provided and shall make available such personnel, equipment, and facilities as may be required to carry out a program of technical services on investigations, planning, and design, and will perform such related technical services as are required by the GOVERNMENT in connection with the duties referred to in Schedule A of this Agreement for the collection and conservation of water supplies from surface runoff from the mountains in the United Arab Emirates, provided that such services by RECLAMATION shall not conflict with or supersede its work under its domestic programs.

2. The GOVERNMENT shall designate a senior member of its staff to provide liaison between RECLAMATION's personnel and the GOVERNMENT. This designated officer will be the principal point of contact between RECLAMATION's personnel and members of the GOVERNMENT. However, frequent informal contact between RECLAMATION's personnel and other members of the GOVERNMENT will be maintained as necessary to ensure efficient performance of RECLAMATION's services.

3. RECLAMATION shall provide suitable qualified specialists, either from RECLAMATION or from other United States Government agencies, to carry out the project as specified in Schedule A. Schedule B specifies the personnel to be provided by RECLAMATION and the periods of the assignment to the project specified in Schedule A. Addition or substitution of personnel may be made by mutual agreement between RECLAMATION and the GOVERNMENT.

4. RECLAMATION's personnel will include personnel who are assigned to work in the United Arab Emirates as resident personnel as well as personnel on short-term assignments as detailed in Schedule B.

5. RECLAMATION shall in addition provide all necessary technical backstopping and other services from its office in Denver to complement and supplement the services of its personnel referred to in clause 4 above. Administrative backstopping shall be provided by RECLAMATION's Washington office.

6. As desired by the GOVERNMENT, RECLAMATION shall provide technical training in the United States to certain of its technical personnel who may from time to time be designated by the GOVERNMENT and who will be accepted in advance by RECLAMATION as to their qualifications. Applications for training will be submitted through diplomatic channels to conform with administrative arrangements. RECLAMATION, before determining the scope, length, and type of training and the duties to be undertaken by such training participants, will confer with the GOVERNMENT. Nothing, however, shall preclude the GOVERNMENT from sending to RECLAMATION persons to confer with RECLAMATION officials on specific problems concerning the project as detailed in Schedule A and these persons would not be considered as trainees for purposes of cost as mentioned in clause 6 of Article IV. No living accommodation will be furnished to the said trainees nor will they be paid any amount by the United States or by RECLAMATION for salaries, subsistence, lodging, travel, or any other expenses.

7. RECLAMATION shall in addition provide on-the-job training to the GOVERNMENT's technical personnel who may be assigned to work as counterparts to RECLAMATION's resident personnel in the United Arab Emirates. Such training shall be at no extra cost to the GOVERNMENT.

ARTICLE IVOBLIGATIONS OF THE GOVERNMENT

1. The GOVERNMENT shall pay RECLAMATION:

a. In respect of RECLAMATION's personnel assigned to perform services in the United Arab Emirates under this Agreement, salaries, allowances, and per diem in accordance with prevailing United States Standardized Regulations as applicable to Government Civilians, Foreign Areas, and as certified by RECLAMATION. All salaries and allowances payable shall be calculated on the basis of the periods of time actually spent on the project including travel time, annual, sick, and home leave (where applicable), granted in accordance with prevailing regulations covering United States Government personnel on overseas assignments. In addition to the above, housing and utilities equivalent to living quarters available to other United States Government personnel of similar grade and class, shall be made available to RECLAMATION personnel assigned to the project.

b. all cost in respect of services performed by RECLAMATION's office in Denver. Such cost shall be computed in the same manner as for work performed on RECLAMATION projects and shall be certified by RECLAMATION.

c. a special annual overhead charge according to the following schedule:

<u>Charge to Project</u>	<u>Overhead Charge</u>
<u>U.S. \$</u>	<u>U.S. \$</u>
Up to \$5,000	\$ 500
\$5,000 to \$50,000	10%
\$50,000 to \$125,000	8% but not less than \$5,000
Over \$125,000	\$10,000

2. The GOVERNMENT shall in addition pay RECLAMATION in respect of such other expenses as are necessary and justifiable for the execution of the project comprising:

- a. cost of economy class air passage or the actual cost of the passage, whichever is the lesser, by the most direct route to and from home duty station to the U.A.E. for RECLAMATION's personnel on their first arrival to the United Arab Emirates and on their departure from the United Arab Emirates upon the completion of their assignment, and
- b. In respect of RECLAMATION's personnel assigned to perform services under this Agreement for one year or longer:
 - i. cost of economy class air passage or the actual cost of the passage, whichever is the lesser, by the most direct route to and from home duty station to the U.A.E. for the wives and children of such personnel, under the age of 21, once only on their arrival in the United Arab Emirates, and once only on their departure from the United Arab Emirates. The wife's and children's stay in the United Arab Emirates shall have been for not less than sixty (60) consecutive days to qualify for such passage.
 - ii. cost of shipment of household effects and one automobile in accordance with prevailing regulations covering United States Government personnel on overseas assignments. The GOVERNMENT will assure that all necessary household appliances and basic furniture will be provided.
- 3. American employees of RECLAMATION who are assigned to perform services under this Agreement will be considered attached to the Embassy of the United States of America in the United Arab Emirates and they and their dependents in the United Arab Emirates shall be entitled to the privileges and immunities accorded to personnel of the Embassy of comparable rank and category.
- 4. The GOVERNMENT will provide adequate counterpart staff, both professional and non-professional, to support RECLAMATION personnel in performance of their work and for such

on-the-job training as the GOVERNMENT may desire. The numbers and disciplines of such counterpart staff shall be determined by mutual agreement between RECLAMATION's personnel and the designated officer. The GOVERNMENT will provide RECLAMATION's personnel who are assigned to perform services under this Agreement office space, clerical staff, local transport, and any specialized equipment necessary for the efficient performance of their services.

5. The GOVERNMENT shall provide, or contract for, topographic mapping, aerial photographs, and geologic drilling for damsite foundation and aquifer investigations as determined to be required during the course of the study.

6. Should the GOVERNMENT desire to send its technical personnel to RECLAMATION for training in the United States, a fixed fee according to the following schedule shall be paid to RECLAMATION for each participant so assigned. For a period up to 4 months, U.S. \$60 per business day per person or per group up to a maximum of 4 persons following the same program; 5-7 months, U.S. \$3,000 per person; 8-12 months, U.S. \$3,600 per person.

7. The GOVERNMENT shall undertake:

- a. to make arrangement for RECLAMATION's personnel promptly to be provided with any necessary entry and exit visas, residence permits and travel documents required for their stay in the United Arab Emirates;
- b. to facilitate the issue of all necessary permits and authorizations for carrying out the services;
- c. in respect of RECLAMATION's personnel assigned to work in the United Arab Emirates under this agreement who may be subject to personal income tax both in the United States and in the United Arab Emirates to reimburse such RECLAMATION personnel for any income tax actually paid by them to the GOVERNMENT in respect of earnings accruing for work done under this Agreement.

ARTICLE V
OWNERSHIP OF DOCUMENTS

1. All drawings, maps, reports, specifications, calculations, and relevant technical data compiled or prepared by RECLAMATION's personnel in the course of performing the services under this Agreement shall be the sole property of the GOVERNMENT.

ARTICLE VI
TERMINATION OF AGREEMENT

1. Work under this agreement is deemed to have commenced on the first day of January, 1976, and the Agreement shall be valid up to June 30, 1978. Any extension of time beyond this period on account of additional work required by the GOVERNMENT which will affect the overall costs shall be by mutual agreement between the GOVERNMENT and RECLAMATION.
2. This Agreement may be terminated or suspended in whole or in part for a definite or indefinite period by either party by giving to the party ninety (90) days written notice of such termination or suspension. In the event of termination or suspension by either party, any balance of funds then unexpended or not committed for expenditure which have been advanced pursuant to Schedule D of this Agreement shall be returned to the GOVERNMENT or the GOVERNMENT shall be billed for any monies due as the case may be.
3. Both parties have agreed that this agreement does not require ratification.

ARTICLE VII
NOTICE

Any notice or request required or permitted to be given or made under this Agreement shall be in writing. Such notice or request shall be deemed to be duly given or made when it

shall have been delivered by hand, mail, or cable to the party to which it is required to be given or mailed to such party's address specified below, or at such other address as the party shall have specified in writing to the party giving such notice, or making such request.

Done at Abu Dhabi in four original copies in Arabic and English. Both versions are authentic and in case of difference as to interpretation, the English text should be overriding.

FOR THE GOVERNMENT:

FOR RECLAMATION:

Ambassador of the United States
P. O. Box 4009
Abu Dhabi
United Arab Emirates

IN WITNESS WHEREOF the parties hereto have signed and executed this Agreement effective the date of the last signature hereafter.

Government of the
United States of America

Date July 10, 1976 By Michael Sterner [1]
Ambassador

Government of the
Emirate of Abu Dhabi

Date July 10, 1976 By Suror Bin Mohammed Al Nahayan
Chairman, Presidential Court

¹ Michael Sterner. [Footnote added by the Department of State.]

SCHEDULE ATERMS 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.
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 BRECLAMATION'S TIME SCHEDULE

This schedule shows RECLAMATION's estimated time schedule for performing the services described in Schedule A, Terms of Reference.

<u>Work Item</u>	<u>Approximate Dates</u>	
	<u>Begin</u>	<u>Complete</u>
Preliminary Coordination Activities	July 1976	Sept. 1976
Water Supply Studies	Sept. 1976	Dec. 1976
Ground Water Studies	Sept. 1976	Feb. 1977
Design Flood Studies	Jan. 1977	March 1977
Sediment and Tailwater Studies	March 1977	April 1977
Field Engineering Studies	Sept. 1976	Nov. 1976
Geological Studies	Nov. 1976	Feb. 1977
Foundation Exploration	Dec. 1976	Feb. 1977
Plan Formulation Designs	Jan. 1977	March 1977
Designs, Specifications, Cost Estimates and Other Tender Documents	April 1977	Aug. 1977
Design Report	Sept. 1977	Dec. 1977

SCHEDULE C

SUMMARY OF ESTIMATED COSTS

<u>Design Report</u>	<u>293,795</u>
<u>Special Training of</u>	
United Arab Emirates	
Personnel in the United	
States of America <u>1/</u>	<u>14,400</u>
<u>Total</u>	<u>308,195</u>

1/ Estimated at 4 employees for 12 months each -
 $4 \times \$3,600 = \$14,400$ (specific dates of training
not yet determined).

SCALE OF EXPENSES - TOTAL

- ✓ Salary and benefits for IDY's include
 - 1/ 17½ leave additive
 - 2/ Post and education Allowances
 - 3/ Includes storage of HME not shipped
 - 4/ Including items such as salary increase reflecting item adjustment, promotions and other unforeseen or unpredictable changes

SCHEDULE DFINANCIAL PROCEDURES

1. Within sixty (60) days after signature of the Agreement, the GOVERNMENT shall advance to the Bureau of Reclamation, Department of the Interior, Washington, D.C. 20240, in United States dollars the total of the estimated cost of work to be performed under this Agreement during the life of the Agreement as shown on the attached budget estimate.
2. RECLAMATION will draw upon this advance for costs of RECLAMATION personnel and services as provided herein. RECLAMATION shall submit to the GOVERNMENT quarterly statements of transfers or withdrawals from this account. RECLAMATION may as required furnish a revised estimate of funds required to complete the duties to be performed under this agreement and to maintain an adequate working fund for its expenses. The GOVERNMENT shall advance United States dollars equal to the revised estimate within sixty (60) days after receipt of the revised estimate. The failure of the GOVERNMENT to advance additional sums of money in accordance with the foregoing provisions may result in cessation of work by RECLAMATION until said additional sums have been advanced. PROVIDED also that at the end of the project any balance of funds unexpended or not committed for expenditure shall be returned to the GOVERNMENT.

اتفاقية

بين

حكومة امارة أبوظبي

ومحكومة الولايات المتحدة الأمريكية

خدمات مكتب استصلاح الاراضي التابع لوزارة الداخلية في الولايات المتحدة الأمريكية
من أجل

المساعدة الفنية المتعلقة بمشروع تجميع وتخزين المياه السطحية

حيث ان حكومة امارة أبوظبي ويسى فيما بعد "الحكومة" طلبت من مكتب خدمات استصلاح الاراضي، احد فروع وزارة الداخلية بحكومة الولايات المتحدة الأمريكية، ويسى فيما بعد "الاستصلاح" ان يقدم لها بهذه الخدمات الفنية حسب التفاصيل المبته في الجدول (أ) بخصوص مشروع تجميع وتخزين المياه السطحية (مياه الامطار) .

وحيث ان "استصلاح" سبق لها وقدمت المساعدة الفنية بخصوص المشروع المذكور، وما ان "الحكومة" رأت من مصلحتها ان تطلب من "استصلاح" مساعدات اضافية،

وحيث ان "الحكومة" تحرص على تمزيق امكانياتها لفرض انجاز المشروع، وما ان "استصلاح" تبعا للقانون المدار عن الكونغرس الاميركي بتاريخ ١٢/٦/١٩٠٢ وللقانونين المعدلة له او التوانين اللالحة، وبشار اليها فيما بعد "قوانين الاستصلاح" والقوانين الاخرى للكونغرس، بصورة خاصة القانون رقم ١٩٥، الصادر عن الكونغرس السابع والثمانين ، تستطيع ان تقدم الخدمات المشار اليها،
والآن ، منعاً على ذلك ، فإن الحكومة والاستصلاح قد اتفقا على ما يلى :

المادة (١)

يقبل استصلاح بتقديم المعونة

- ١ - بناءً على الشروط والمواد التي تتضمنها هذه الاتفاقية، يقبل "استصلاح" بتقديم الخدمات الفنية الى "الحكومة" كما هو منصوص في الجدول (أ) .
- ٢ - حرصاً على صحة الحكومة ، سيقوم استصلاح بمسك وفتح السجلات والحسابات اللازمة التي تسلك ماده في اعمال الهندسة، بشكل منفصل واضح - وتكون هذه السجلات وهذه الحسابات تحت تصرف الحكومة كما ان استصلاح سيقوم بتزويد الحكومة بكافة المعلومات المتعلقة بالخدمات المطلوبة من قبلها من وقت لآخر.

النادرة (٢)

الروابط التي تعتبر جزءاً من هذه الاعراقية :

- ان الوائلي الثالثة تشكل جزءاً من هذه الاتجاهات :

 - اللائحة ١ - الاختصاصات .
 - ب - لائحة الفترة الزمنية الخاصة باستصلاح .
 - ج - موظفو استصلاح والذين يتلقون التدريبة .
 - د - الاحماليات المالية .

الإمدادات

التراتب "استسلام".

- ٥ - وبالإضافة إلى ما تقدم سبقه "استصلاح" بتوفير الكادر الفني اللازم وكذلك الخدمات الأخرى من مركزها في دنفر من زيادة عدد موظفيها وتكتلته علا بالفترة الرابعة أعلاه، أما الجهاز الإداري، فسيتولى "استصلاح" تأمينه مباشرة من مركزها في واشنطن.
- ٦ - بموجب رغبة "الحكومة" تسيّر استصلاح على توفير التدريب الفني في الولايات المتحدة لبعض موظفيها الذين سيتم تعيينهم من وقت إلى آخر من قبلها، والذين سيتم تعيينهم سبقاً من قبل استصلاح حسب مواعيدهم. وستقدم طلبات التدريب بالطرق الدبلوماسية وفقاً للتدابير الإدارية. وقبل أن يبيت استصلاح، بحجم وطول ونوعية التدريب والواجبات الملقاة على عاتق هؤلاء المتدربين، سيقوم باستطلاع رأي الحكومة بهذه الشأن.
- وعلی كل حال، ظلّيس هنالك أى مانع يحول دون إرسال الحكومة إلى استصلاح الأشخاص الذين مستخّارهم للشارو مع موظفي استصلاح الرسميين بأمير معينه تتعلق بالمشروع كما هو منصوص في الجدول (أ) على أن لا يمثّل هؤلاء الأشخاص كمتدرّبين فيما يتعلق بمنفذتهم كما هو بين فسی الفترة السادسة من المادة (٤) ولا يمثّل هؤلاء المتدرّبين السكن كما انهم لا يتضمنون رواتب من قبل الولايات المتحدة أو من قبل استصلاح بما في ذلك الرواتب والمعيشة والسكن، والسفر أو أية نفقات أخرى.
- ٧ - على "استصلاح" توفير العمل الثنائي التدريب لكافة موظفي "الحكومة" الغربيين الذين سيتم انتدابهم للعمل مقابل موظفي استصلاح التعبين في الولايات العربية المتحدة وسيكون هذا التدريب دون مقابل بالنسبة للحكومة.

المادة (٤) -----

واجبات "الحكومة"

- ١ - بالنسبة لموظفي استصلاح المتدرّبين للعمل في الولايات العربية المتحدة بموجب شروط هذه الاتفاقية، ستحدد الرواتب والعلاوات والمتطلبات وفقاً للأنظمة الموحدة المسؤولة عنها في الولايات المتحدة الأمريكية، المطبقة على موظفي الحكومة الذين للمناطق الخارجية كما هو بين من قبل استصلاح. وسيجري حساب دفع الرواتب والعلاوات على أساس الفترة الزمنية التي ستتقاضى فسی المشروع بما ذلك فترة السفر والإجازة السنوية والمرضية (عند الحاجة) وستنبع هذه الرواتب والعلاوات وفقاً للأنظمة المطبقة على موظفي الولايات المتحدة الأمريكية المالعين في الخارج. وبالإضافة إلى ما ذكر أعلاه، فإن السكن والتسيّلات الأخرى المعادلة للايجار السكينة المتقدمة للموظفين الآخرين التابعين للولايات المتحدة ذوي الرتب والدرجات المسائلة ستتوفر بالنسبة لموظفي استصلاح الذين سينتدبون للعمل في المشروع.

بـ - وكذلك كافة النباتات لقاً، الخدمات التي سيتلقاها مكتب استصلاح في دنفر وتحسب هذه النباتات وبنفس الطريقة التي تحسب بها الاعمال الشجرية في سهل الشاريع التي يقوم بها استصلاح، يجب ان تكون حدقة من قبل استصلاح .

ج - سكّون النّفّات الإضافيّة السنّيّة حسب البّيان التّالّي :

النفقات العامة (غير المباشرة) بالدولار	نفقات المشروع (بالدولار)
٥٠٠	٥٠٠٠
١٠%	٥٠٠٠ حتى ٥٠٠٠٠
٨٪ على ان لا تقل عن ٤٠٠٠	١٢٥٠٠٠ حتى ١٢٥٠٠٠٠
١٠٠%	١٢٥٠٠٠

٦- شن عذراً الطائرة بالدرجة السياحية أو ما يعادلها تقداً إليها أقل ، وطن اقتصاد خط مكّن من والى متى العمل بالوطن الى الامارات العربية المتحدة لكاتمة موظفي استصلاح عند وصيهم لاول مرة الى الامارات وكذلك الامر حين سفرهم منها عند انتهاء مهامهم .

بـ- بالنسبة لموظفي استصلاح المنتهين للعمل في انجاز المشروع حسب بنود هذه الاتفاقية لمدة سنة او اكثر.

١- شن تذاكر طائرة بالدرجة السياحية او ما يعادله تقدا ايها اول ، وطن اصر خط مكن ، البن زيجات واولاد هولاً الموظفين الذين لا تتجاوز اعمرهم الى ٢١ سنه . ولمرة واحدة عند صطفهم الى الامارات ، ولمرة واحدة ايها عند متاربهم لها . ويجب ان تكون مدة اقامه كل من الزيجات والاولاد لعدة ٦٠ يوما متالية كي يحق لهم صرف هذه التذاكر .

٢- نعمات نقل استئتمم ونفات شحن مهارة واحدة وننا لانظمة المعمول فيها يتعلّق بموظفي الولايات المتحدة العاملين في الخارج . ويتسلّم "الحكومة" على توفير الآثار وتنمية الادارات المتزلّفة .

٢- ان الموظفين الامريكيين التابعين لـ«استصلاح» المستجرون لتقدير خداتهم بموجب هذه الاتفاقية يمتهنون ملحقون لدى سفارة الولايات المتحدة في أبو ظبي وكذلك الافراد الذين يعطونهم قسماً من الامارات، وستعمل بكافة الامارات والامارات التي يتبث بها اعضاً السفارة على اساس الدرجة بالمنصب.

٤- على "الحكومة" بالقابل ان تسلل على توفير الموظفين سواءً مهنيين او غير مهنيين لتساعده موظفي استصلاح بالقيام بادعائهم ولمثل هذا التدريب اثنان العمل حسب رغبة "الحكومة" ويحدد عدد هؤلاً وانطباطهم بموافقة كل من موظفي استصلاح وضابط الاتصال المعني لهذا الامر.

وطني "الحكومة" ان توفر "لاستصلاح" مابطله الموظفون الذين ينتسبون للقيام باعمالهم ، المكاتب والمساحات ، والمستخدمين ، والنقل الداخلي والمعدات الخصوصية اللازمة لفعالية انجاز مهماتهم وخدماتهم .

٥ - على الحكومة ان توفر او ان تتعهد لهذه الغاية من اجل تأمين الخرائط الفوتوفوغرافية والجيولوجية والصور الجوية وعمليات الحفر اللازمة لاساسات السد وتجري الطبيعت الصخرية المائية حسب ما هو مطلوب خلال فترة الدراسات .

٦ - في حال رغبة "الحكومة" ارسال موظفيها القتلين الى "استصلاح" من اجل التدريب في الولايات المتحدة ، يجب ان تدفع الى استصلاح رسماً محدداً حسب الجدول التالي عن كل مرتضى ينتدب لذلك ١٠٠ دولاراً لفترة اشهر عن كل يوم عمل وعن الشخص الواحد او مجموعة لا تتعدي الاربعة الاشخاص تتبع البرنامج الواحد و ٣٠٠٠ دولار لفترة ١ - ٢ أشهر للشخص الواحد و ٣٦٠٠ دولار لفترة ٨ - ١٢ للشخص الواحد .

٧ - تتسهد "الحكومة" بما يلي :

- ١ - ان تعمل على تسهيل منح سمات الدخول والخروج لموظفي استصلاح ، وكذلك تأشيرات الاتامة وكافة وثائق السفر البطلية من اجل اقامته هوّلاً في دولة الامارات .
- ٢ - ان ت العمل على تسهيل اصدار كافة الرخص والاجازات من اجل القيام بالاعمال البطلية .
- ٣ - ان تدفع الحكومة الى موظفي استصلاح ضرائب الدخل الفروضية على موظف استصلاح سواه في دولة الامارات او في الولايات المتحدة للاموال التياكتسبوها بينما لقيامهم باعمالهم بموجب بـ هذه الاتفاقية .

المادة (٥)

ملكية الوثائق:

ان كافة التصاميم والخرائط والتقارير والحسابات وكافة ما يتعلق بها من مواد ذات فنية قد وضعتها او اهدتها "استصلاح" وموظفوها اثنان قائمهم بآداء اعمالهم علاوة بهذه الاعتنية ، تعود ملكيتها على سبيل الحصر "للحوكمة" .

المادة (٦)

انهاء الاعتنية:

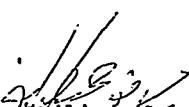
١ - يبدأ العمل حسب هذه الاعتنية في الاول من يناير سنة ١٩٧٦ ويتقى الاعتنية سارية المفعول حتى الثلاثاء من يونيو سنة ١٩٧٨م وسيتم الى تعيين زمئي ينتدب زمئي الى التاريخ المحدد باعناق الحكومة واستصلاح وكذلك زيارة أي مبلغ اضافي ينتدب الى البالغ المقرره ، يجري تحديده بالشاهم من الطرفين المتعاقدين .

- ٢ - يمكن وتقسيم هذه الاشارة كليا او جزئيا لعدة محددة او غير محددة من قبل كل من الطرفين وذلك بموجب اخطار خطى قبل تسعين يوما من موعد التوقف والانها .
في حال توقف وانها الاشارة من قبل اي من الطرفين ، فان اي رسيد من المال كان قد صرف اولم يعرف وكان قد حدد للصرف وقتا للتحقق من هذه الاشارة ، يجب اعادته الى الحكومة او ان عنايب الحكومة بأية اموال مستحقة حسب ما يتضمنه واقع الحال .
٣ - لا تخضع هذه الاشارة لاجراءات التصديق .

النادرة (٢)

يجب ان تكون كافة الاشارات والرسائل التي يوجهها احد الطرفين الى الآخر عملا باحكام هذه الاشارة ، خطية ، ويجب ان تعتبر هذه الاشارات واللاحظات وشرتها وكائنا اطبيا او صدرت حسب الاصل عند ما يتم تسليمها باليد ، او بالبريد او بالبراق الى الطرف المفترض الذي توجه له او ارسالها بالبريد الى عنوان الطرف الآخر المبين في ادنى الرسالة او الى اي عنوان آخر حسب العنوان المبين من قبل الطرف الآخر خطيا والذي يوجه اليه الاشعار والذى تقدم بمثل هذا الطلب .

وتمسني أبوظبي في باربع نسخ اصلية باللغتين العربية والإنجليزية وكل التصريح مستند وفي حالة تعارضهما يعتبر النص الانجليزى ملزما .


 عن / حكومة امارة ابوظبي
 الشيخ سورو بن محمد آل شهابان
 رئيس الديوان الاميري


 عن / حكومة الولايات المتحدة الأمريكية
 مايكيل ستوم
 سفير الولايات المتحدة الأمريكية
 بالامارات العربية المتحدة

الجدول (أ)نطاق الصلاحيات

ان مكتب الاستصلاح ، في وزارة داخلية الولايات المتحدة الاميركية ، طبta للادهاف المبيته في الشروط التمهيدية من هذه الاعاقية ، يقوم بتوفير الخدمات المتعلقة بايجاد الموظفين القائمين في الولايات المتحدة وكذلك الذين سيتم انتابهم للعمل في الامارات العربية المتحدة لمسدد مثاواته بهدف تخفيف وتطبيق الصلاحيات التالية :

- ١ - القيام بدراسة تنهي كامله من اجل تجميع وتخزين المياه السطحية في دولة الامارات العربية المتحدة ، بما في ذلك الاساسات الازمة ، والابحاث والسداد والدراسات المتعلقة بطبقات الارض والدراسات المتعلقة بالمياه الجوفيه ، واعداد الخزانات والتساميم والمواصفات والتکاليف التقديرية لاقامة سدود تجمع فيها المياه السطحية ، وامكانية تزويد هذه السدود بالمياه من جهد بد ، وتحديد كمية المياه اللازمة لغرض الزراعة والاستعمال المنزلي .
- ٢ - وضع مكتب استصلاح ايها ، اعداد برامج التدريب الخاصة بالموظفين الذين سيتم اختيارهم للتدريب في الولايات المتحدة وذلك بالتعاون مع "الحكومة" .

٣ - نطاق الصلاحيات يشمل ايضا :

- ٤ - استمرار كافة المواصفات المتغيرة ومتها : المياه الناتجة عن الاحوال الجوية ، والجيولوجية المياه الجوفيه ، و المياه الطبقات الارضية وكذلك اعداد برامج مفصل لكيفية تجميع هذه المواصفات حسب الضرورة .
- ٥ - تقدیر آثار البناء لایة خريطه يمكن ان يوصى بها عن الطاقة المائية عن كافة المساحات المائية الصخرية التي يستقاد منها حاليا في اغراض متعددة .

الجدول (ب)
برنامج سير العمل

<u>الندة التقديمية</u>	<u>الابتداء</u>	<u>نوع العمل</u>
الاكتتاب		
٢٦ ابريل	٢٦ سبوز	اعمال التسويق الارجعية
٢٦ كانون اول	٢٦ ابريل	دراسات تغير المياه
٢٧ شباط	٢٦ ابريل	دراسات الطبقات المائية الارضية
٢٧ آذار	٢٦ كانون ثاني	دراسة عواميم التفافات
٢٧ نيسان	٢٦ آذار	دراسة الرواسب وخصائصها
٢٧ تشرين ثاني	٢٦ ابريل	الاعمال الهندسية في موقع العمل
٢٧ شباط	٢٦ تشرين ثاني	دراسة طبقات الارض
٢٧ شباط	٢٦ كانون اول	اكتشاف مواقع الاساسات
٢٧ آذار	٢٦ كانون الثاني	عماميم الخط وصيغتها
٢٨ آب	٢٧ نيسان	التحاميم المعاينات ، التكاليف الارجعية
٢٧ كانون اول	٢٧ ابريل	بعض المطائق الاخرى للتحاميم
		التقارير عن سير التحاميم

<u>الجدول (ج)</u>	
<u>موجز التكاليف الارجعية</u>	
<u>دولار</u>	
٢٩٣٧٩٥	تغیر سير التحاميم
١٤٤٠٠	تدريب موظفي الامارات في الولايات المتحدة (١)
٣٠٨٩٥	المجموع
	(١) مقدرة على اساس ٤ موظفين لمدة ١٢ شهرا ، كل واحد : $4 \times 600 = 2400$.
	(لم تحدد بعد تاريخ التدريب) .

الجدول (د)

اجراءات التمهيل

- خلال مدة سنتين بروبا من تاريخ توقيع الاشارةة ، سلف الحكومة كتب "استصلاح" وزارة الداخليه في الولايات المتحدة الاجرية بواسطه ملئها وقدره ٢٠٤٠ دولاراً أمريكياً يشكل هذا البياع جميع التكاليف الاداريه للاموال التي يجب القيام بها علايه بهذه الاشارةة .
كما هو مبين بالوزارة التفصيرية المرتدة .

سيتم استصلاح بحسب البالغ الازمه من اجل الموظفين والخدمات التي يتدمنهم سلك استصلاح الى الحكومة كثروا كل ثلاثة أشهر عن سير هذا الحساب واصحبه من اوضاعه . يمكن لاستصلاح اذا طلبته ذلك - ان تزيد الحكومة بكتوات - تذهبية اخرى بعد ان اعاده النظر فيها ، وتحمل بالاموال الازمه لايجاز اليها المطلوب بحسب هذه الاشارةة ، ومن اجل العمل على الحفاظ بصوره ملائمه على ما قد يتطلب ذلك من رسيد لواجهة النافتات .

يمكن على الحكومة ان تسلف الولايات المتحدة ملئها من الدولارات الاميركية بماءد التدبير الذى اهدى النظر فيه . ويتعين عن تخلف الحكومة تسليف بالغ اخافته وتتا الشرط الواردة سابقاً ، تزداد المبلغ من قبل استصلاح ، الى ان يتم تuala تسليف باللغ اخافته .
ويستطيع ايضاً ان تساعد الى الحكومة كافة الامداد المالية التي لم تتحقق ، وذلك عند انتهاء الشرع .

MULTILATERAL Conservation of Polar Bears

*Agreement done at Oslo November 15, 1973;
Ratification advised by the Senate of the United States of America September 15, 1976;
Ratified by the President of the United States of America September 30, 1976;
Ratification of the United States of America deposited with the Government of Norway November 1, 1976;
Proclaimed by the President of the United States of America November 26, 1976;
Entered into force with respect to the United States of America November 1, 1976.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

CONSIDERING THAT:

The Agreement on the Conservation of Polar Bears was open for signature at Oslo from November 15, 1973 to March 31, 1974, and was signed on behalf of the United States of America on November 15, 1973, a certified copy of which Agreement, in the English and Russian languages, is hereto annexed,

The Senate of the United States of America by its resolution of September 15, 1976, two-thirds of the Senators present concurring therein, gave its advice and consent to the ratification of the Agreement;

The President of the United States of America ratified the Agreement on September 30, 1976, in pursuance of the advice and consent of the Senate,

The United States of America deposited its instrument of ratification on November 1, 1976, in accordance with the provisions of Article X of the Agreement;

The Agreement entered into force for the United States of America on November 1, 1976,

Now, THEREFORE, I, Gerald R. Ford, President of the United States of America, proclaim and make public the Agreement, to the end that it shall be observed and fulfilled with good faith on and after November 1, 1976, by the United States of America and by the citizens of the United States of America and all other persons subject to the jurisdiction thereof.

IN TESTIMONY WHEREOF, I have signed this proclamation and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this twenty-sixth day of November in the year of our Lord one thousand nine hundred seventy-six and of the Independence of the United States of America the two hundred first.

GERALD R. FORD

By the President:

CHARLES W ROBINSON

Acting Secretary of State

AGREEMENT
ON
THE CONSERVATION OF POLAR BEARS

СОГЛАШЕНИЕ
о
СОХРАНЕНИИ БЕЛЫХ МЕДВЕДЕЙ

THE GOVERNMENTS of Canada, Denmark, Norway, the Union of Soviet Socialist Republics, and the United States of America,

RECOGNIZING the special responsibilities and special interests of the States of the Arctic Region in relation to the protection of the fauna and flora of the Arctic Region,

RECOGNIZING that the polar bear is a significant resource of the Arctic Region which requires additional protection,

HAVING DECIDED that such protection should be achieved through co-ordinated national measures taken by the States of the Arctic Region,

DESIRING to take immediate action to bring further conservation and management measures into effect;

HAVE AGREED AS FOLLOWS:

ARTICLE I

1. The taking of polar bears shall be prohibited except as provided in Article III.

2. For the purpose of this Agreement, the term "taking" includes hunting, killing and capturing.

ARTICLE II

Each Contracting Party shall take appropriate action to protect the ecosystems of which polar bears are a part, with special attention to habitat components such as denning and feeding sites and migration patterns, and shall manage polar bear populations in accordance with sound conservation practices based on the best available scientific data.

ARTICLE III

1. Subject to the provisions of Articles II and IV, any Contracting Party may allow the taking of polar bears when such taking is carried out:

- (a) for bona fide scientific purposes; or
- (b) by that Party for conservation purposes; or
- (c) to prevent serious disturbance of the management of other living resources, subject to forfeiture to that Party of the skins and other items of value resulting from such taking; or
- (d) by local people using traditional methods in the exercise of their traditional rights and in accordance with the laws of that Party; or
- (e) wherever polar bears have or might have been subject to taking by traditional means by its nationals.

2. The skins and other items of value resulting from taking under sub-paragraphs (b) and (c) of paragraph 1 of this Article shall not be available for commercial purposes.

ARTICLE IV

The use of aircraft and large motorized vessels for the purpose of taking polar bears shall be prohibited, except where the application of such prohibition would be inconsistent with domestic laws.

ARTICLE V

A Contracting Party shall prohibit the exportation from, the importation and delivery into, and traffic within, its territory of polar bears or any part or product thereof taken in violation of this Agreement.

ARTICLE VI

1. Each Contracting Party shall enact and enforce such legislation and other measures as may be necessary for the purpose of giving effect to this Agreement.

2. Nothing in this Agreement shall prevent a Contracting Party from maintaining or amending existing legislation or other measures or establishing new measures on the taking of polar bears so as to provide more stringent controls than those required under the provisions of this Agreement.

ARTICLE VII

The Contracting Parties shall conduct national research programmes on polar bears, particularly research relating to the conservation and management of the species. They shall as appropriate coordinate such research with research carried out by other Parties, consult with other Parties on the management of migrating polar bear populations, and exchange information on research and management programmes, research results and data on bears taken.

ARTICLE VIII

Each Contracting Party shall take action as appropriate to promote compliance with the provisions of this Agreement by nationals of States not party to this Agreement.

ARTICLE IX

The Contracting Parties shall continue to consult with one another with the object of giving further protection to polar bears.

ARTICLE X

1. This Agreement shall be open for signature at Oslo by the Governments of Canada, Denmark, Norway, the Union of Soviet Socialist Republics and the United States of America until 31st March 1974.

2. This Agreement shall be subject to ratification or approval by the signatory Governments. Instruments of ratification or approval shall be deposited with the Government of Norway as soon as possible.

3. This Agreement shall be open for accession by the Governments referred to in paragraph 1 of this Article. Instruments of accession shall be deposited with the Depositary Government.

4. This Agreement shall enter into force ninety days after the deposit of the third instrument of ratification, approval or accession. Thereafter, it shall enter into force for a signatory or acceding Government on the date of deposit of its instrument of ratification, approval or accession.

5. This Agreement shall remain in force initially for a period of five years from its date of entry into force, and unless any Contracting Party during that period requests the termination of the Agreement at the end of that period, it shall continue in force thereafter.

6. On the request addressed to the Depositary Government by any of the Governments referred to in paragraph 1 of this Article, consultations shall be conducted with a view to convening a meeting of representatives of the five Governments to consider the revision or amendment of this Agreement.

7. Any Party may denounce this Agreement by written notification to the Depositary Government at any time after five years from the date of entry into force of this Agreement. The denunciation shall take effect twelve months after the Depositary Government has received the notification.

8. The Depositary Government shall notify the Governments referred to in paragraph 1 of this Article of the deposit of instruments of ratification, approval or accession, of the entry into force of this Agreement and of the receipt of notifications of denunciation and any other communications from a Contracting Party specifically provided for in this Agreement.

9. The original of this Agreement shall be deposited with the Government of Norway which shall deliver certified copies thereof to each of the Governments referred to in paragraph 1 of this Article.

10. The Depositary Government shall transmit certified copies of this Agreement to the Secretary-General of the United Nations for registration and publication in accordance with Article 102 of the Charter of the United Nations.¹

¹ TS 993; 59 Stat. 1052.

Правительства Дании, Канады, Норвегии, Союза Советских Социалистических Республик и Соединенных Штатов Америки,

признавал особую ответственность и особые интересы государств арктического района в отношении защиты фауны и флоры арктического района,

признавая, что белый медведь является важным видом ресурсов арктического района, который нуждается в дополнительной защите;

решив, что такая защита должна быть обеспечена посредством координированных национальных мероприятий государств арктического района;

желая незамедлительно принять меры для осуществления дальнейших мероприятий по сохранению и рациональному использованию,

согласились о нижеследующем:

Статья I

1. Добыча белых медведей запрещается, за исключением случаев, предусмотренных в статье III.

2. Для целей настоящего Соглашения термин "добыча" включает охоту, отстрел и отлов.

Статья II

Каждая из Договаривающихся Сторон принимает соответствующие меры с целью защиты экосистем, частью которых являются белые медведи, уделяя особое внимание таким компонентам мест обитания, как берлоги, места добычи корма, а также характеру миграции, и регулирует использование популяции белого медведя в соответствии с рациональной практикой охраны, основанной на новейших научных данных.

Статья III

1. С соблюдением положений статей II и IV любая из Договаривающихся Сторон может разрешать добывчу белых медведей, когда эта добыча осуществляется:

- а/ для подлинно научных целей; либо
- б/ этой Стороной в целях сохранения; либо
- с/ для предотвращения серьезного нарушения рационального использования других живых ресурсов, при условии передачи этой Стороне шкур и других ценных предметов, полученных в результате добычи; либо
- д/ местным населением с использованием традиционных методов охоты в порядке осуществления своих традиционных прав и в соответствии с законодательством этой Стороны; либо
- е/ там, где белые медведи добываются или могли добывать традиционными средствами гражданами этой Стороны.

2. Шкуры и другие ценные предметы, полученные в результате добычи в соответствии с подпунктами "б" и "с" пункта I настоящей статьи, не могут быть использованы в коммерческих целях.

Статья IV

Запрещается использование для добычи белых медведей самолетов и крупных моторных судов, за исключением случаев, когда осуществление такого запрещения было бы несовместимо с внутренним законодательством.

Статья V

Договаривающая Сторона запрещает экспорт, импорт и доставку на свою территорию, а также торговлю в пределах своей территории белых медведей или любой их части, или полученной из них продукции, добывших в нарушение настоящего Соглашения.

Статья VI

1. Каждая из Договаривающихся Сторон принимает и претворяет в жизнь такое законодательство и другие меры, какие могут быть необходимы для целей осуществления настоящего Соглашения.

2. Ничто в настоящем Соглашении не препятствует Договаривающейся Стороне сохранять или изменять существующее законодательство или другие меры или принимать новые меры в отношении добычи белых медведей с тем, чтобы обеспечить более жесткий контроль, чем это требуется в соответствии с положениями настоящего Соглашения.

Статья VII

Договоривающиеся Стороны осуществляют национальные научно-исследовательские программы по изучению белого медведя, в частности исследования по сохранению и рациональному использованию этого вида. Они в соответствующих случаях координируют такие исследования с исследованиями, проводимыми другими Сторонами, консультируются с ними по вопросам рационального использования популяций, мигрирующего белого медведя и обмениваются информацией о программах исследований и использования и результатах исследований, а также данными о добытых медведях.

Статья VIII

Каждая из Договоривающихся Сторон в соответствующих случаях принимает меры в целях содействия соблюдение положений настоящего Соглашения гражданами государств, не являющимися участниками настоящего Соглашения.

Статья IX

Договоривающиеся Стороны продолжат консультации друг с другом в целях обеспечения дальнейшей защиты белых медведей.

Статья X

I. Настоящее Соглашение открыто для подписания в Осло Правительствами Дании, Канады, Норвегии, Союза Советских Социалистических Республик и Соединенных Штатов Америки до 31 марта 1974 г.

TIAS 8409

2. Настоящее Соглашение подлежит ратификации или одобрению подписавшими его Правительствами. Ратификационные грамоты или документы об одобрении сдаются на хранение Правительству Норвегии в возможно кратчайший срок.

3. Настоящее Соглашение открыто для присоединения Правительств, упомянутых в пункте I настоящей статьи. Документы о присоединении сдаются на хранение Правительству-Депозитарию.

4. Настоящее Соглашение вступит в силу через 90 дней после сдачи на хранение третьей ратификационной грамоты или документа об одобрении или присоединении. Впоследствии оно вступит в силу для подписавшего его или присоединившегося к нему Правительства в день сдачи на хранение его ратификационной грамоты или документа об одобрении или присоединении.

5. Настоящее Соглашение будет оставаться в силе первоначально в течение пяти лет со дня вступления его в силу и, если ни одна из Договаривающихся Сторон в течение этого срока не потребует прекращения действия Соглашения в конце указанного периода, оно будет оставаться в силе и в дальнейшем.

6. По просьбе, направленной Правительству-Депозитарию любым из Правительств, упомянутых в пункте I настоящей статьи, проводятся консультации относительно созыва совещания представителей пяти Правительств для рассмотрения вопросов о пересмотре или изменении настоящего Соглашения.

7. Любая из Сторон может денонсировать настоящее Соглашение посредством письменного уведомления Правительства-Депозитария в любое время по истечении пяти лет со дня вступления в силу настоящего Соглашения. Денонсация вступает в силу через двенадцать месяцев после получения уведомления Правительством-Депозитарем.

8. Правительство-Депозитарий уведомляет Правительства, упомянутые в пункте I настоящей статьи, о сдаче на хранение ратификационных грамот, документов об одобрении или присоединении, вступлении в силу настоящего Соглашения, а также о получении уведомлений о денонсации и любых других сообщений от какой-либо Договаривающейся Стороны, конкретно предусмотренных в настоящем Соглашении.

9. Подлинник настоящего Соглашения сдается на хранение Правительству Норвегии, которое разослает его заверенные копии каждому из Правительств, упомянутых в пункте I настоящей статьи.

10. Правительство-Депозитарий направит заверенные копии настоящего Соглашения Генеральному секретарю Организации Объединенных Наций для регистрации и опубликования в соответствии со статьей 102 Устава Организации Объединенных Наций.

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

DONE at Oslo, in the English and Russian languages, each text being equally authentic, this fifteenth day of November, 1973.

В УДОСТОВЕРЕНИИ ЧЕГО нижеподписавшиеся, должным образом на то уполномоченные своими Правительствами, подписали настоящее Соглашение.

СОВЕРШЕНО в Осло, на английском и русском языках, тексты которых одинаково аутентичны, в ноябре месяце 15 дня 1973 года.

For the Government of Canada

За Правительство Канады

John S. Turner

For the Government of Denmark

За Правительство Дании

Piern Adamsen.

For the Government of Norway

За Правительство Норвегии

Kirke bygning

For the Government of The Union of Soviet Socialist Republics

За Правительство Союза Советских Социалистических Республик

Q. -

For the Government of The United States of America

За Правительство Соединенных Штатов Америки

E.U. Curtis Bohlen

I hereby certify that this is a true copy of the original document deposited in the archives of the Royal Norwegian Ministry of Foreign Affairs.

PER TRESSELT

Per Tresselt
Head of Division
Legal Department

Royal Norwegian Ministry of Foreign Affairs.

[SEAL]

EL SALVADOR

Trade in Cotton Textiles

*Agreement terminating the agreement of April 19, 1972,
as amended.*

*Effectuated by exchange of notes
Dated at San Salvador July 15, 1976;
Entered into force July 15, 1976.*

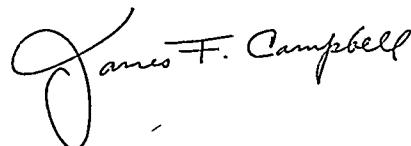
The American Embassy to the Salvadoran Ministry of Foreign Affairs

No. 253

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and has the honor to refer to the Bilateral Agreement on Trade in Cotton Textiles of April 19, 1972, as amended^[1] between the United States and El Salvador (The Agreement).

The United States proposes that the Agreement be terminated upon acceptance by the Government of El Salvador of this note.

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs the assurance of its highest consideration.



Embassy of the United States of America

San Salvador, July 15, 1976

¹ TIAS 7284, 7644; 23 UST 140; 24 UST 1369.

The Salvadoran Ministry of Foreign Affairs to the American Embassy



SECRETARIA DE ESTADO

No. 11179

EL MINISTERIO DE RELACIONES EXTERIORES saluda atentamente a la Honorable Embajada de los Estados Unidos de América en El Salvador y tiene el honor de referirse a la nota No. 253 de esa Embajada, fechada 15 de julio de 1976, en la cual propone al Gobierno de El Salvador la terminación del Acuerdo sobre Comercio de Textiles de Algodón suscrito entre El Salvador y los Estados Unidos de América el día 19 de abril de 1972 y posteriormente enmendado por intercambio de notas del 10 de abril y 16 de mayo de 1973.

EL GOBIERNO DE EL SALVADOR por este medio confirma la terminación del referido Acuerdo.

EL MINISTERIO DE RELACIONES EXTERIORES hace propicia la oportunidad para reiterar a la Honorable Embajada de los Estados Unidos de América en El Salvador las muestras de su más alta y distinguida consideración.

San Salvador, 15 de julio de 1976.

A LA HONORABLE EMBAJADA DE
ESTADOS UNIDOS DE AMERICA,
San Salvador.

Translation

REPUBLIC OF EL SALVADOR
MINISTRY OF FOREIGN AFFAIRS

No. 11179

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America in El Salvador and has the honor to refer to Embassy note No. 253, of July 15, 1976, proposing to the Government of El Salvador that the Agreement relating to Trade in Cotton Textiles, concluded between El Salvador and the United States of America on April 19, 1972, and amended by exchange of notes dated April 10 and May 16, 1973, be terminated.

The Government of El Salvador confirms herewith the termination of the aforesaid agreement.

The Ministry of Foreign Affairs avails itself of the opportunity to renew to the Embassy of the United States of America in El Salvador the assurances of its highest and most distinguished consideration.

SAN SALVADOR, *July 15, 1976*

[Initialed]

EMBASSY OF THE UNITED STATES OF AMERICA,
San Salvador.

MEXICO

Narcotic Drugs: Additional Equipment, Material and Technical Support to Curb Illegal Traffic

*Agreement effected by exchange of letters
Signed at México August 9, 1976;
Entered into force August 9, 1976.*

The American Ambassador to the Mexican Attorney GeneralEMBASSY OF THE
UNITED STATES OF AMERICA

August 9, 1976

His Excellency
Lic. Pedro Ojeda Paullada
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 willing to enter into additional cooperative arrangements with the Government of Mexico to reduce such traffic.

The United States Government, for its part, will provide the following equipment, material and technical support as may be deemed useful and desirable by the Government of Mexico.

1. Additional equipment which is deemed necessary for use in the multispectral aerial photographic poppy detection system at an estimated cost not to exceed Two Hundred Sixty-Nine Thousand Dollars (\$269,000).
2. One prefabricated aircraft hangar and the services of three technical personnel to advise in the assembly and erection of such hangar at Culiacan, Mexico, at an estimated cost not to exceed One Hundred Thousand Dollars (\$100,000).
3. Film, paper, chemicals and other consumables not readily available in Mexico which are deemed necessary in the multispectral aerial photographic poppy detection system at an estimated cost not to exceed Fifty Thousand Dollars (\$50,000).
4. Technical support consisting of the provision of services, maintenance and maintenance supply support by Spectral Data Corporation for a period of approximately ten (10) months during the 1976-1977 narcotics eradication campaign. Such support shall be provided through direct contractual arrangements between the Government of the United States and Spectral Data Corporation. The contractor

will perform all the functions necessary to utilize one of the two multispectral aerial photographic poppy detection systems including flight operations, with the prior consent of the competent Mexican authorities, photo processing and printing, photo interpretation and analysis, preparation of reports and special maps, maintenance of the equipment and furnishing such material and parts associated with such maintenance as specified in the contract. The estimated cost of this technical support shall not exceed One Million Seventy Thousand Dollars (\$1,070,000).

The Government of Mexico shall provide at its own expense for use by the contractor the physical facilities, equipment, and associated services and supplies necessary for the proper implementation of the aforementioned contract.

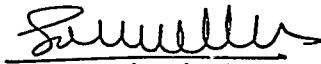
The Government of Mexico agrees to make arrangements so that contractor personnel may obtain the necessary legal permits and other documents required to permit contractor personnel to operate in Mexico in compliance with their duties under the contract.

The Government of Mexico will provide at its own expense, in connection with the prefabricated hangar to be supplied by the United States Government as stated in paragraph numbered (2) the services, equipment and supplies necessary to prepare the site, construct the foundation and floor, and assemble and erect the hangar.

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 assurance of my highest consideration and personal esteem.



Joseph John Jova
Ambassador

The Mexican Attorney General to the American Ambassador

México, D. F., agosto 9 de 1976.

PROCURADURÍA GENERAL
DE LA
REPÚBLICA

Excelentísimo Señor
Joseph John Jova,
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
Ciudad.

Estimado Señor Embajador:

Me permito dar contestación a su atenta carta de esta fecha, cuyo texto vertido al español es como sigue:

" Confirmando conversaciones celebradas recientemente entre funcionarios de nuestros dos gobiernos en lo relacionado con la cooperación entre México y los Estados Unidos a fines de contener el tráfico ilegal de narcóticos, me complace comunicarle que el Gobierno de los Estados Unidos está dispuesto a concertar acuerdos cooperativos adicionales - con el Gobierno de México a fines de reducir tal tráfico.

El Gobierno de los Estados Unidos, por su parte, proporcionará los equipos, materiales y apoyo técnico siguientes según sea considerado útil y deseable por parte del - Gobierno de México:

1. - Equipo adicional que se considere necesario para su uso en el sistema de fotografía aérea multiespectral para detectar la adormidera, a un costo estimado no mayor de Doscientos Sesenta y Nueve Mil dólares (US \$269.000).

2. - Un hangar prefabricado para aeronaves y - los servicios de tres técnicos para asesorar en el ensamblaje y construcción de dicho hangar en Culiacán, México, a un costo estimado no mayor de Cien Mil Dólares (US \$ 100.000).

3. - Película, papel, productos químicos y otros productos fungibles que no se consiguen fácilmente en México - y que se consideran necesarios para el sistema de fotografía aérea multiespectral para detectar la adormidera, a un costo estimado de Cincuenta Mil Dólares (US \$ 50.000).

4.- Apoyo técnico que consiste en la prestación de servicios, mantenimiento y piezas de repuesto para el mantenimiento por la Spectral Data Corporation durante un período de aproximadamente diez (10) meses durante la campaña de 1976-1977 para la erradicación de los narcóticos. Este apoyo será proporcionado mediante arreglos contractuales directos entre el Gobierno de los Estados Unidos y la Spectral Data Corporation. El contratista realizará todas las funciones necesarias para utilizar uno de los dos sistemas de fotografía aérea multiespectral para detectar la adormidera, incluso operaciones de vuelo, previo permiso de las autoridades mexicanas competentes, revelado e impresión de fotografías, interpretación y análisis de fotografías, preparación de informes y mapas especiales, mantenimiento de los equipos y el suministro de los materiales y piezas relacionados con tal mantenimiento según se especifique en el contrato. El costo estimado de este apoyo técnico no excederá de Un Millón Setenta Mil Dólares ----- (US \$1,070,000).

El Gobierno de México proporcionará, a costo propio, para uso del contratista, las instalaciones, equipos y servicios y materiales afines necesarios para implementar debidamente el contrato antes mencionado.

El Gobierno de México acuerda hacer los arreglos necesarios para que el personal de contratista pueda obtener los permisos legales necesarios y otros documentos que se exigen para permitir a tal personal cumplir con sus funciones en México conforme a sus obligaciones bajo el contrato.

El Gobierno de México, proporcionará, a costa propia, en relación con el hangar prefabricado que el Gobierno de los Estados Unidos proporcionará según se indica en el párrafo (2), los servicios, equipos y materiales necesarios para preparar el lugar, construir los cimientos y el piso, y ensamblar y erigir el hangar.

Se entiende 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 controlar el tráfico de narcóticos se mantienen vigentes en su totalidad y aplicables a este acuerdo, a menos que por la presente se modifiquen expresamente.

Si lo anterior es aceptable para el Gobierno de México, esta carta y la respuesta de usted constituirán un -- acuerdo entre nuestros dos gobiernos. "

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la carta transcrita.

Aprovecho la oportunidad para reiterar a usted, las seguridades de mi más alta consideración y personal estima.

7

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL.

LIC. PEDRO OJEDA PAULLADA.

Translation

UNITED MEXICAN STATES
OFFICE OF THE ATTORNEY GENERAL OF THE REPUBLIC

MEXICO, D.F., August 9, 1976

MR. AMBASSADOR:

I have the honor to reply to your letter of August 9, 1976, the text of which, translated into Spanish, reads as follows:

[For the English language text, see pp. 3938-3939.]

I wish to inform you that the terms of the letter transcribed above are acceptable to the Government of Mexico.

I avail myself of this opportunity to renew to you the assurance of my highest consideration and personal esteem.

Effective suffrage. No reelection.

PEDRO OJEDA PAULLADA

Pedro Ojeda Paullada
Attorney General

His Excellency

JOSEPH JOHN JOVA,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Mexico, D.F.*

TIAS 8411

MEXICO

Frequency Modulation Broadcasting

Agreement amending the agreement of November 9, 1972, as amended.

Effectuated by exchange of notes

*Signed at México and Tlatelolco September 9 and 15, 1976;
Entered into force September 15, 1976.*

The American Chargé d'Affaires ad interim to the Mexican Secretary of Foreign Relations

EMBASSY OF THE UNITED STATES OF AMERICA

No. 1601

MEXICO, D. F., September 9, 1976

EXCELLENCY:

I have the honor to refer to the Agreement between the United Mexican States and the United States of America concerning Frequency Modulation Broadcasting in the 88 to 108 MHz Band effective as of August 9, 1973,^[1] and to inform Your Excellency that the Federal Communications Commission of the United States of America desires to amend Table B of the Allotment Plan for channel assignments. The proposed amendments are in conformity with channel separation requirements of Article 6 (c), and are described as follows:

TABLE B

City	Channel No.	
	Delete	Add
Phoenix, Arizona	---	260 C
Chandler, Arizona	---	300 C
Sedona, Arizona	---	261 A
Scottsdale, Arizona	---	264 C
Tolleson, Arizona	264 C	---
Payson, Arizona	---	280 A
Lake Arrowhead, California	---	280 A
Palm Springs, California	---	265 A

¹TIAS 7697, 8152, 8301; 24 UST 1815; 26 UST 2120; *ante*, p. 2012.

Communications have already been exchanged between the Federal Communications Commission and the Director General de Telecomunicaciones, Torre Central de Telecommunicaciones, Departamento de Frecuencias of Mexico and the Departamento has expressed its willingness to approve the desired additions and changes in Table B of the Allotment Plan in the Agreement.

If the above proposal is acceptable to Your Excellency's Government, I propose that this note and your reply constitute an Agreement modifying the Agreement relating to the allotment and use of FM Radio Broadcasting channels along the Mexican-United States border as indicated above and which would enter into force on the date of your reply.

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

HERBERT B. THOMPSON

Herbert B. Thompson
Chargé d'Affaires, a.i.

His Excellency
Licenciado ALFONSO GARCIA ROBLES
Secretary of Foreign Relations
Mexico, D.F.

*The Mexican Chief, Treaty Department, Ministry of Foreign
Relations, to the American Chargé d'Affaires ad interim*

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlalocito, D. F., a 15 de septiembre de 1976.

Su Señoría:

51049 Tengo el agrado de acusar recibo de la atenta nota de
Vuestra Señoría 1601, fechada el 9 de septiembre del año en
curso, cuyo texto vertido al español es el siguiente:

"Tengo el honor de referirme al Acuerdo entre los Estados Unidos Mexicanos y los Estados Unidos de América, relativo a la Radiodifusión en Frecuencia Modulada en la Banda de 88 a 108 MHz, en vigor a partir del 9 de agosto de 1973, para informar a Vuestra Excelencia que la "Federal Communications Commission" de los Estados Unidos de América desea modificar la tabla B de la lista de asignación de canales. Las modificaciones propuestas, acordes con la separación de canales requerida en el inciso c del Artículo 6, son las siguientes:

Tabla B

<u>CIUDAD</u>	<u>No. DE CANAL</u>	
	<u>Suprimir</u>	<u>Agregar</u>
Phoenix, Arizona	---	260 C
Chandler, Arizona	---	300 C
Sedona, Arizona	---	261 A
Scottsdale, Arizona	---	264 C
Tolleson, Arizona	264 C	---
Payson, Arizona	---	280 A
Lake Arrowhead, California	---	280 A
Palm Springs, California	---	265 A

* * *

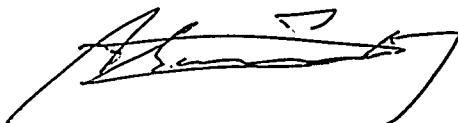
A Su Señoría.
Herbert B. Thompson,
Encargado de Negocios a.i.,
de los Estados Unidos de América,
México, D. F.

La "Federal Communications Commission" y el Departamento de Frecuencias de la Dirección General de Telecomunicaciones de México han intercambiado comunicaciones y el Departamento ha expresado su conformidad en aprobar las adiciones y cambios propuestos en la tabla B del plan de asignación del Acuerdo.

Si la anterior propuesta es aceptable para el Gobierno de Vuestra Excelencia, propongo que esta nota y la de respuesta constituyan un Acuerdo que modifique el Acuerdo relativo a la Asignación y Uso de Canales de Radiodifusión en Frecuencia Modulada a lo largo de la Frontera México-Estados Unidos como se ha mencionado, el que podría entrar en vigor en la fecha de vuestra respuesta."

En respuesta, tengo el honor de manifestar a Vuestra Señoría que el Gobierno de México acepta la propuesta antes transcrita y, por lo tanto, considera que dicha nota y la presente constituyen una modificación al Convenio entre los Estados Unidos Mexicanos y los Estados Unidos de América relativo a la Radiodifusión en Frecuencia Modulada en la Banda de 88 a 108 MHz, firmado el 9 de noviembre de 1972, la cual entrará en vigor en la fecha de la presente nota.

Aprovecho la oportunidad para renovar a Vuestra Señoría el testimonio de mi más alta y distinguida consideración.



Translation

UNITED MEXICAN STATES
MINISTRY OF FOREIGN RELATIONS
MEXICO

No. 510492

TLATELOLCO, D.F., September 15, 1976

SIR:

I take pleasure in acknowledging receipt of your note No. 1601 dated September 9, 1976, which in Spanish translation reads as follows:

[For the English language text, see pp. 3944-3945.]

In reply, I have the honor to inform you that the Government of Mexico agrees with the proposal transcribed above and, therefore, considers that your note and this reply constitute an amendment to the Agreement between the United Mexican States and the United States of America concerning Frequency Modulation Broadcasting in the 88 to 108 MHz Band, signed on November 9, 1972, which will enter into force on the present date.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

R SAMPERIO

HERBERT B. THOMPSON,
Charge d'Affaires ad interim
of the United States of America,
Mexico, D.F.

MULTILATERAL

Organization of American States Convention on Terrorism

*Convention done at Washington February 2, 1971;
Ratification advised by the Senate of the United States of
America June 12, 1972;
Ratified by the President of the United States of America
October 8, 1976;
Ratification of the United States of America deposited with the
General Secretariat of the Organization of American States
October 20, 1976;
Proclaimed by the President of the United States of America
November 16, 1976;
Entered into force with respect to the United States of America
October 20, 1976.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

CONSIDERING THAT:

The Convention to Prevent and Punish the Acts of Terrorism Taking the Form of Crimes Against Persons and Related Extortion That Are of International Significance was signed in behalf of the United States of America on February 2, 1971, a certified copy of which Convention, in the English, French, Portuguese, and Spanish languages, is hereto annexed,

The Senate of the United States of America by its resolution of June 12, 1972, two-thirds of the Senators present concurring therein, gave its advice and consent to ratification of the Convention,

On October 8, 1976, the President of the United States of America ratified the Convention, in pursuance of the advice and consent of the Senate;

The United States of America deposited its instrument of ratification on October 20, 1976, in accordance with the provisions of Article 11 of the Convention,

Pursuant to the provisions of Article 12 of the Convention, the Convention entered into force for the United States of America on October 20, 1976,

Now, THEREFORE, I, Gerald R. Ford, President of the United States of America, proclaim and make public the Convention, to the end that it shall be observed and fulfilled with good faith on and after October 20, 1976, by the United States of America and by the citizens of the United States of America and all other persons subject to the jurisdiction thereof.

IN TESTIMONY WHEREOF, I have signed this proclamation and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this sixteenth day of November in the year of our Lord one thousand nine hundred [SEAL] seventy-six and of the Independence of the United States of America the two hundred first.

GERALD R. FORD

By the President:

HENRY A. KISSINGER
Secretary of State

SERIE SOBRE TRATADOS No. 37

OEA DOCUMENTOS OFICIALES OEA/Ser. A/17 (SEFP)

**CONVENCION PARA PREVENIR Y SANCIONAR LOS ACTOS DE TERRORISMO
CONFIGURADOS EN DELITOS CONTRA LAS PERSONAS Y LA EXTORSION
CONNEXA CUANDO ESTOS TENGAN TRASCENDENCIA INTERNACIONAL**

Suscrita en el Tercer Periodo Extraordinario de Sesiones
de la Asamblea General

**CONVENTION TO PREVENT AND PUNISH THE ACTS OF TERRORISM
TAKING THE FORM OF CRIMES AGAINST PERSONS AND RELATED
EXTORTION THAT ARE OF INTERNATIONAL SIGNIFICANCE**

Signed at the Third Special Session of the
General Assembly

**CONVENTION POUR LA PREVENTION OU LA REPRESION
DES ACTES DE TERRORISME QUI PRENNENT LA FORME DE DELITS
CONTRE LES PERSONNES AINSI QUE DE L'EXTORSION CONNEXE A
CES DELITS LORSQUE DE TELS ACTES
ONT DES REPERCUSSIONS INTERNATIONALES**

Souscrite lors de la troisième Session extraordinaire de
l'Assemblée générale

**CONVENÇÃO PARA PREVENIR E PUNIR OS ATOS DE TERRORISMO
CONFIGURADOS EM DELITOS CONTRA AS PESSOAS E A EXTORSÃO CONNEXA,
QUANDO TIVEREM ÉLES TRANSCENDÊNCIA INTERNACIONAL**

Assinada no Terceiro Período Extraordinário de Sessões da
Assembleia Geral

SECRETARIA GENERAL
ORGANIZACION de los ESTADOS AMERICANOS
Washington, D.C.
1971

CONVENCIÓN PARA PREVENIR Y SANCTIONAR LOS ACTOS DE TERRORISMO
CONFIGURADOS EN DELITOS CONTRA LAS PERSONAS Y LA EXTORSIÓN
CONEXA CUANDO ESTOS TENGAN TRASCENDENCIA INTERNACIONAL

LOS ESTADOS MIEMBROS DE LA ORGANIZACIÓN DE LOS ESTADOS AMERICANOS,

CONSIDERANDO:

Que la defensa de la libertad y de la justicia y el respeto de los derechos fundamentales de la persona humana, reconocidos por la Declaración Americana de Derechos y Deberes del Hombre y la Declaración Universal de los Derechos Humanos, son deberes primordiales de los Estados;

Que la Asamblea General de la Organización, en la Resolución 4 del 30 de junio de 1970, condenó enérgicamente los actos de terrorismo y en especial el secuestro de personas y la extorsión conexa con éste, los que calificó como graves delitos comunes;

Que están ocurriendo con frecuencia actos delictivos contra personas que merecen protección especial de acuerdo con las normas del derecho internacional y que dichos actos revisten trascendencia internacional por las consecuencias que pueden derivarse para las relaciones entre los Estados;

Que es conveniente adoptar normas que desarrollen progresivamente el derecho internacional en lo que atañe a la cooperación internacional en la prevención y sanción de tales actos;

Que en la aplicación de dichas normas debe mantenerse la institución del asilo y que, igualmente, debe quedar a salvo el principio de no intervención,

HAN CONVENIDO EN LOS ARTICULOS SIGUIENTES:

Artículo 1

Los Estados contratantes se obligan a cooperar entre sí, tomando todas las medidas que consideren eficaces de acuerdo con sus respectivas legislaciones y especialmente las que se establecen en esta Convención, para prevenir y sancionar los actos de terrorismo y en especial el secuestro, el

homicidio y otros atentados contra la vida y la integridad de las personas a quienes el Estado tiene el deber de extender protección especial conforme al derecho internacional, así como la extorsión conexa con estos delitos.

Artículo 2

Para los efectos de esta Convención, se consideran delitos comunes de trascendencia internacional cualquiera que sea su móvil, el secuestro, el homicidio y otros atentados contra la vida y la integridad de las personas a quienes el Estado tiene el deber de extender protección especial conforme al derecho internacional, así como la extorsión conexa con estos delitos.

Artículo 3

Las personas procesadas o sentenciadas por cualquiera de los delitos previstos en el artículo 2 de esta Convención, estarán sujetas a extradición de acuerdo con las disposiciones de los tratados de extradición vigentes entre las partes o, en el caso de los Estados que no condicionan la extradición a la existencia de un tratado, de acuerdo con sus propias leyes.

En todo caso corresponde exclusivamente al Estado bajo cuya jurisdicción o protección se encuentren dichas personas calificar la naturaleza de los hechos y determinar si las normas de esta Convención les son aplicables.

Artículo 4

Toda persona privada de su libertad por aplicación de la presente Convención gozará de las garantías judiciales del debido proceso.

Artículo 5

Cuando no proceda la extradición solicitada por alguno de los delitos especificados en el artículo 2 porque la persona reclamada sea nacional o medie algún otro impedimento constitucional o legal, el Estado requerido queda obligado a someter el caso al conocimiento de las autoridades competentes, a los efectos del procesamiento como si el hecho se hubiera cometido en su territorio. La decisión que adopten dichas autoridades será comunicada al Estado requirente. En el juicio se cumplirá con la obligación que se establece en el artículo 4.

Artículo 6

Ninguna de las disposiciones de esta Convención será interpretada en el sentido de menoscabar el derecho de asilo.

Artículo 7

Los Estados contratantes se comprometen a incluir los delitos previstos en el artículo 2 de esta Convención entre los hechos punibles que dan lugar a extradición en todo tratado sobre la materia que en el futuro concierten entre ellos. Los Estados contratantes que no supediten la extradición al hecho de que exista un tratado con el Estado solicitante consideran los delitos comprendidos en el artículo 2 de esta Convención como delitos que dan lugar a extradición, de conformidad con las condiciones que establezcan las leyes del Estado requerido.

Artículo 8

Con el fin de cooperar en la prevención y sanción de los delitos previstos en el artículo 2 de la presente Convención, los Estados contratantes aceptan las siguientes obligaciones:

- (a) Tomar las medidas a su alcance, en armonía con sus propias leyes, para prevenir e impedir en sus respectivos territorios la preparación de los delitos mencionados en el artículo 2 y que vayan a ser ejecutados en el territorio de otro Estado contratante;
- (b) Intercambiar informaciones y considerar las medidas administrativas eficaces para la protección de las personas a que se refiere el artículo 2 de esta Convención;
- (c) Garantizar el más amplio derecho de defensa a toda persona privada de libertad por aplicación de la presente Convención;
- (d) Procurar que se incluyan en sus respectivas legislaciones penales los hechos delictivos materia de esta Convención cuando no estuvieren ya previstos en aquéllas;
- (e) Cumplimentar en la forma más expedita los exhortos en relación con los hechos delictivos previstos en esta Convención.

Artículo 9

La presente Convención queda abierta a la firma de los Estados Miembros de la Organización de los Estados Americanos, así como de cualquier Estado Miembro de la Organización de las Naciones Unidas o de cualquiera de los organismos especializados vinculados a ella o que sea parte en el Estatuto de la Corte Internacional de Justicia, y de cualquier otro Estado que la Asamblea General de la Organización de los Estados Americanos invite a suscribirla.

Artículo 10

La presente Convención será ratificada por los Estados signatarios de acuerdo con sus respectivos procedimientos constitucionales.

Artículo 11

El instrumento original, cuyos textos en español, francés, inglés y portugués son igualmente auténticos será depositado en la Secretaría General de la Organización de los Estados Americanos, y dicha Secretaría enviará copias certificadas a los gobiernos signatarios para los fines de su ratificación. Los instrumentos de ratificación serán depositados en la Secretaría General de la Organización de los Estados Americanos y dicha Secretaría notificará tal depósito a los Gobiernos signatarios.

Artículo 12

La presente Convención entrará en vigor entre los Estados que la ratifiquen, en el orden en que depositen los instrumentos de sus respectivas ratificaciones.

Artículo 13

La presente Convención regirá indefinidamente, pero cualquiera de los Estados contratantes podrá denunciarla. La denuncia será transmitida a la Secretaría General de la Organización de los Estados Americanos, y dicha Secretaría la comunicará a los demás Estados contratantes. Transcurrido un año a partir de la denuncia, la Convención cesará en sus efectos para el Estado denunciante, quedando subsistente para los demás Estados contratantes.

DECLARACION DE PANAMA

La Delegación de Panamá deja constancia de que nada en esta Convención podrá interpretarse en el sentido de que el derecho de asilo implica el de poderlo solicitar de las autoridades de los Estados Unidos en la Zona del Canal de Panamá, ni el reconocimiento de que el Gobierno de los Estados Unidos tiene derecho a dar asilo o refugio político en el territorio de la República de Panamá que constituye la Zona del Canal de Panamá.

EN FE DE LO CUAL, los Plenipotenciarios infrascritos, presentados sus plenos poderes, que han sido hallados en buena y debida forma, firman la presente Convención, en nombre de sus respectivos gobiernos, en la ciudad de Washington, el dos de febrero de mil novecientos setenta y uno.

CONVENTION TO PREVENT AND PUNISH THE ACTS OF TERRORISM
TAKING THE FORM OF CRIMES AGAINST PERSONS AND RELATED
EXTORTION THAT ARE OF INTERNATIONAL SIGNIFICANCE

WHEREAS:

The defense of freedom and justice and respect for the fundamental rights of the individual that are recognized by the American Declaration of the Rights and Duties of Man and the Universal Declaration of Human Rights are primary duties of states;

The General Assembly of the Organization, in Resolution 4, of June 30, 1970, strongly condemned acts of terrorism, especially the kidnapping of persons and extortion in connection with that crime, which it declared to be serious common crimes;

Criminal acts against persons entitled to special protection under international law are occurring frequently, and those acts are of international significance because of the consequences that may flow from them for relations among states;

It is advisable to adopt general standards that will progressively develop international law as regards cooperation in the prevention and punishment of such acts; and

In the application of those standards the institution of asylum should be maintained and, likewise the principle of nonintervention should not be impaired,

THE MEMBER STATES OF THE ORGANIZATION OF AMERICAN STATES

HAVE AGREED UPON THE FOLLOWING ARTICLES:

Article 1

The contracting states undertake to cooperate among themselves by taking all the measures that they may consider effective, under their own laws, and especially those established in this convention, to prevent and punish acts of terrorism, especially kidnapping, murder, and other

assaults against the life or physical integrity of those persons to whom the state has the duty according to international law to give special protection, as well as extortion in connection with those crimes.

Article 2

For the purposes of this convention, kidnapping, murder, and other assaults against the life or personal integrity of those persons to whom the state has the duty to give special protection according to international law, as well as extortion in connection with those crimes, shall be considered common crimes of international significance, regardless of motive.

Article 3

Persons who have been charged or convicted for any of the crimes referred to in Article 2 of this convention shall be subject to extradition under the provisions of the extradition treaties in force between the parties or, in the case of states that do not make extradition dependent on the existence of a treaty, in accordance with their own laws.

In any case, it is the exclusive responsibility of the state under whose jurisdiction or protection such persons are located to determine the nature of the acts and decide whether the standards of this convention are applicable.

Article 4

Any person deprived of his freedom through the application of this convention shall enjoy the legal guarantees of due process.

Article 5

When extradition requested for one of the crimes specified in Article 2 is not in order because the person sought is a national of the requested state, or because of some other legal or constitutional impediment, that state is obliged to submit the case to its competent authorities for prosecution, as if the act had been committed in its territory. The decision of these authorities shall be communicated to the state that requested extradition. In such proceedings, the obligation established in Article 4 shall be respected.

Article 6

None of the provisions of this convention shall be interpreted so as to impair the right of asylum.

Article 7

The contracting states undertake to include the crimes referred to in Article 2 of this convention among the punishable acts giving rise to extradition in any treaty on the subject to which they agree among themselves in the future. The contracting states that do not subject extradition to the existence of a treaty with the requesting state shall consider the crimes referred to in Article 2 of this convention as crimes giving rise to extradition, according to the conditions established by the laws of the requested state.

Article 8

To cooperate in preventing and punishing the crimes contemplated in Article 2 of this convention, the contracting states accept the following obligations:

- a. To take all measures within their power, and in conformity with their own laws, to prevent and impede the preparation in their respective territories of the crimes mentioned in Article 2 that are to be carried out in the territory of another contracting state.
- b. To exchange information and consider effective administrative measures for the purpose of protecting the persons to whom Article 2 of this convention refers.
- c. To guarantee to every person deprived of his freedom through the application of this convention every right to defend himself.
- d. To endeavor to have the criminal acts contemplated in this convention included in their penal laws, if not already so included.
- e. To comply most expeditiously with the requests for extradition concerning the criminal acts contemplated in this convention.

Article 9

This convention shall remain open for signature by the member states of the Organization of American States, as well as by any other state that is a member of the United Nations or any of its specialized agencies, or any state that is a party to the Statute of the International Court of Justice,^[1] or any other state that may be invited by the General Assembly of the Organization of American States to sign it.

Article 10

This convention shall be ratified by the signatory states in accordance with their respective constitutional procedures.

¹ TS 993, 59 Stat. 1055.

Article 11

The original instrument of this convention, the English, French, Portuguese, and Spanish texts of which are equally authentic, shall be deposited in the General Secretariat of the Organization of American States, which shall send certified copies to the signatory governments for purposes of ratification. The instruments of ratification shall be deposited in the General Secretariat of the Organization of American States, which shall notify the signatory governments of such deposit.

Article 12

This convention shall enter into force among the states that ratify it when they deposit their respective instruments of ratification.

Article 13

This convention shall remain in force indefinitely, but any of the contracting states may denounce it. The denunciation shall be transmitted to the General Secretariat of the Organization of American States, which shall notify the other contracting states thereof. One year following the denunciation, the convention shall cease to be in force for the denouncing state, but shall continue to be in force for the other contracting states.

STATEMENT OF PANAMA

The Delegation of Panama states for the record that nothing in this convention shall be interpreted to the effect that the right of asylum implies the right to request asylum from the United States authorities in the Panama Canal Zone, or that there is recognition of the right of the United States to grant asylum or political refuge in that part of the territory of the Republic of Panama that constitutes the Canal Zone.

IN WITNESS WHEREOF, the undersigned plenipotentiaries, having presented their full powers, which have been found to be in due and proper form, sign this convention on behalf of their respective governments, at the city of Washington this second day of February of the year one thousand nine hundred seventy-one.

CONVENTION POUR LA PREVENTION OU LA REPRESSEION
DES ACTES DE TERRORISME QUI PRENNENT LA FORME DE DELITS
CONTRE LES PERSONNES AINSI QUE DE L'EXTORSION CONNEXE A
CES DELITS LORSQUE DE TELES ACTES
ONT DES REPERCUSSIONS INTERNATIONALES

LES ETATS MEMBRES DE L'ORGANISATION DES ETATS AMERICAINS,

CONSIDERANT:

Que la défense de la liberté et de la justice ainsi que le respect des droits fondamentaux de la personne humaine, reconnus par la Déclaration américaine des Droits et des Devoirs de l'Homme et par la Déclaration universelle des Droits de l'Homme constituent des devoirs primordiaux des Etats.

Que dans sa Résolution 4 en date du 30 juin 1970, l'Assemblée générale de l'Organisation a énergiquement condamné les actes de terrorisme et, en particulier, le rapt des personnes et l'extorsion connexe à ce délit, qu'elle a qualifié de graves délits de droit commun;

Que se perpètrent avec fréquence des actes délictueux contre des personnes qui méritent une protection spéciale conformément aux normes du droit international et que ces actes prennent une importance internationale en raison des conséquences qui peuvent en résulter pour les relations entre Etats;

Qu'il est approprié d'adopter des normes qui assurent le développement du Droit international en ce qui a trait à la coopération entre Etats, à la prévention et à la sanction des actes susvisés, et

Que dans l'application des normes susdites l'on doit respecter l'institution de l'asile et maintenir intact le principe de la non-intervention,

SONT CONVENUS DE CE QUI SUIT:

Article premier

Les Etats contractants s'obligent à coopérer entre eux en prenant dans le cadre de leurs législations respectives, et particulièrement dans le cadre des dispositions de la présente Convention toutes les mesures qu'ils

jugent efficaces pour prévenir et réprimer les actes de terrorisme, notamment le rapt, l'homicide des personnes auxquelles l'Etat a le devoir d'accorder une protection spéciale conformément au droit international, les attentats contre la vie et l'intégrité de ces personnes, ainsi que l'extorsion connexe aux délits ci-dessus visés.

Article 2

Aux effets de la présente Convention, sont considérés comme délits de droit commun ayant des répercussions internationales, quel qu'en soit le mobile, le rapt, l'homicide des personnes auxquelles l'Etat a le devoir d'accorder une protection spéciale conformément au droit international, les attentats contre la vie et l'intégrité de ces personnes, ainsi que l'extorsion connexe aux délits susvisés.

Article 3

Les personnes poursuivies ou condamnées pour l'un quelconque des délits prévus à l'article 2 de la présente Convention, sont passibles d'extradition, conformément aux dispositions des traités d'extradition en vigueur entre les parties, ou conformément aux lois en vigueur dans les Etats où l'extradition n'est pas subordonnée à l'existence d'un traité.

Cependant, dans tous les cas, il appartient exclusivement à l'Etat dont la compétence s'étend auxdites personnes ou sous la protection duquel celles-ci se trouvent, de qualifier la nature des faits et de déterminer si les normes de la présente Convention leur sont applicables.

Article 4

Toute personne privée de sa liberté par suite de l'application de la présente Convention continue à jouir de son droit aux garanties de la procédure judiciaire appropriée.

Article 5

Lorsque l'extradition sollicitée en raison de l'un quelconque des délits visés à l'article 2 n'a pas été accordée parce que la personne qui fait l'objet de la demande est un ressortissant de l'Etat requis ou par suite de tout autre empêchement constitutionnel ou légal, l'Etat requis est obligé de porter le cas à la connaissance des autorités nationales compétentes pour les poursuites judiciaires, comme si le fait avait été commis sur son territoire. La décision prise par lesdites autorités sera communiquée à l'Etat requérant. Dans le procès la garantie établie à l'article précédent sera respectée.

Article 6

'Aucune des dispositions de la présente Convention ne sera interprétée d'une façon pouvant porter atteinte au droit d'asile.'

Article 7

Les Etats contractants s'engagent à inclure les délits prévus à l'article 2 de la présente Convention parmi les faits punissables, entraînant l'extradition, dans tous les traités relatifs à l'extradition qu'ils peuvent conclure entre eux à l'avenir. Dans leurs relations entre eux, les Etats contractants qui ne font pas dépendre l'extradition de l'existence d'un traité avec l'Etat requérant, considéreront les délits visés à l'article 2 de la présente Convention comme des délits entraînant l'extradition, conformément aux dispositions des lois de l'Etat requis.

Article 8

Afin de coopérer à la prévention et à la répression des délits visés à l'article 2 de la présente Convention, les Etats contractants acceptent les obligations suivantes:

- (a) Prendre toutes les mesures en leur pouvoir, conformément à leurs lois, afin de prévenir et d'empêcher la préparation sur leur territoire des délits visés à l'article 2 et destinés à être commis sur le territoire d'un autre Etat contractant;
- (b) Echanger des informations et envisager les mesures administratives efficaces permettant de protéger les personnes visées à l'article 2 de la présente Convention;
- (c) Garantir le droit le plus étendu à la défense à toute personne privée de sa liberté par suite de l'application de la présente Convention;
- (d) Prévoir dans leurs législations pénales respectives les faits délictueux visés dans la présente Convention lorsqu'ils ne figurent pas déjà dans ces législations;
- (e) Exécuter avec célérité les commissions rogatoires relatives aux faits délictueux prévus dans la présente Convention.

Article 9

La présente Convention demeure ouverte à la signature des Etats membres de l'Organisation des Etats Américains, ainsi qu'à celle de tout Etat membre de l'Organisation des Nations Unies ou des institutions spécialisées de celle-ci, ou qui soit Partie au Statut de la Cour internationale de Justice, et de tout Etat invité à la souscrire par l'Assemblée générale de l'Organisation des Etats Américains.

Article 10

La présente Convention sera ratifiée par les Etats signataires conformément à leurs procédures constitutionnelles respectives.

Article 11

L'original, dont les versions espagnole, française, anglaise et portugaise font également foi, sera déposé au Secrétariat général de l'Organisation des Etats Américains, lequel en enverra des copies certifiées aux gouvernements signataires aux fins de ratification. Les instruments de ratification seront déposés au Secrétariat général de l'OEAI qui informera les gouvernements signataires de ce dépôt.

Article 12

La présente Convention entrera en vigueur entre les Etats qui l'auront ratifiée dans l'ordre dans lequel ils auront déposé leurs instruments de ratification respectifs.

Article 13

La présente Convention restera en vigueur indéfiniment mais n'importe quel Etat contractant peut la dénoncer. La dénonciation sera notifiée au Secrétariat général de l'Organisation des Etats Américains, lequel la communiquera aux autres Etats contractants. Passé un délai d'une année à partir de la dénonciation, la Convention cessera de produire ses effets à l'égard de l'Etat qui l'aura dénoncée.

DECLARATION DU PANAMA

La Délégation du Panama demande que soit pris acte du fait que rien dans la présente Convention ne peut être interprété comme impliquant que le droit d'asile sous-entend celui de pouvoir le solliciter des autorités des Etats-Unis dans la Zone du Canal de Panama, ni que le gouvernement des Etats-Unis a le droit d'accorder asile ou refuge politique dans le territoire de la République du Panama que constitue la Zone du Canal de Panama.

EN FOI DE QUOI, les plénipotentiaires soussignés, après avoir présentés leurs pleins pouvoirs trouvés en bonne et due forme, signent la présente Convention au nom de leurs gouvernements dans la ville de Washington, D.C., le deux février mil neuf cent soixante et onze.

**CONVENÇÃO PARA PREVENIR E PUNIR OS ATOS DE TERRORISMO
CONFIGURADOS EM DELITOS CONTRA AS PESSOAS E A EXTORSÃO CONEXA,
QUANDO TIVEREM ÉLES TRANSCENDÊNCIA INTERNACIONAL**

OS ESTADOS MEMBROS DA ORGANIZAÇÃO DOS ESTADOS AMERICANOS,

CONSIDERANDO:

Que a defesa da liberdade e da justiça e o respeito aos direitos fundamentais da pessoa humana, reconhecidos pela Declaração Americana dos Direitos e Deveres do Homem e pela Declaração Universal dos Direitos Humanos, são deveres primordiais dos Estados;

Que a Assembléia Geral da Organização, na Resolução 4 de 30 de junho de 1970, condenou enérgicamente os atos de terrorismo e, em especial, o sequestro de pessoas e a extorsão com êste conexa, qualificando-os de graves delitos comuns;

Que vêm ocorrendo com freqüência atos delituosos contra pessoas que merecem proteção especial de acordo com as normas do direito internacional e que tais atos revestem transcendência internacional devido às consequências que podem advir para as relações entre os Estados;

Que é conveniente adotar normas que desenvolvam progressivamente o direito internacional no tocante à cooperação internacional na prevenção e punição de tais atos;

Que na aplicação das referidas normas deve manter-se a instituição do asilo e que deve também ficar a salvo o princípio da não intervenção,

CONTÉM NOS SEGUINTE ARTIGOS:

Artigo 1

Os Estados contratantes obrigam-se a cooperar entre si, tomando todas as medidas que considerem eficazes de acordo com suas respectivas legislações e, especialmente, as que são estabelecidas nesta Convenção, para prevenir e punir os atos de terrorismo e, em especial, o sequestro, o homicídio e outros atentados contra a vida e a integridade das pessoas a quem o Estado tem o dever de proporcionar proteção especial conforme o direito internacional, bem como a extorsão conexa com tais delitos.

Artigo 2

Para os fins desta Convenção, consideram-se delitos comuns de transcendência internacional, qualquer que seja o seu móvel, o sequestro, o homicídio e outros atentados contra a vida e a integridade das pessoas a quem o Estado tem o dever de proporcionar proteção especial conforme o direito internacional, bem como a extorsão conexa com tais delitos.

Artigo 3

As pessoas processadas ou condenadas por qualquer dos delitos previstos no artigo 2 desta Convenção estarão sujeitas a extradição de acordo com as disposições dos tratados de extradição vigentes entre as partes ou, no caso dos Estados que não condicionam a extradição à existência de tratado, de acordo com suas próprias leis.

Em todos os casos compete exclusivamente ao Estado sob cuja jurisdição ou proteção se encontrarem tais pessoas qualificar a natureza dos atos e determinar se lhes são aplicáveis as normas desta Convenção.

Artigo 4

Toda pessoa privada de sua liberdade em virtude de aplicação desta Convenção gozará das garantias judiciais de processo regular.

Artigo 5

Quando não proceder a extradição solicitada por algum dos delitos especificados no artigo 2 em virtude de ser nacional a pessoa reclamada ou mediar algum outro impedimento constitucional ou legal, o Estado requerido ficará obrigado a submeter o caso ao conhecimento das autoridades competentes, para fins de processo como se o ato houvesse sido cometido em seu território. A decisão que adotarem as referidas autoridades será comunicada ao Estado requerente. Cumprir-se-á no processo a obrigação que se estabelece no artigo 4.

Artigo 6

Nenhuma das disposições desta Convenção será interpretada no sentido de prejudicar o direito de asilo.

Artigo 7

Os Estados contratantes comprometem-se a incluir os delitos previstos no artigo 2 desta Convenção entre os atos puníveis que dão lugar a extração em todo tratado sobre a matéria que no futuro celebrarem entre si. Os Estados contratantes que não subordinem a extração ao fato de que exista tratado com o Estado requerente considerarão os delitos comprendidos no artigo 2 desta Convenção como delitos que dão lugar a extração, em conformidade com as condições que estabeleçam as leis do Estado requerido.

Artigo 8

Com o fim de cooperar na prevenção e punição dos delitos previstos no artigo 2 desta Convenção, os Estados contratantes aceitam as seguintes obrigações:

- a) tomar as medidas a seu alcance, em harmonia com suas próprias leis, para prevenir e impedir em seus respectivos territórios a preparação dos delitos mencionados no artigo 2 e que forem ser executados no território de outro Estado contratante;
- b) intercambiar informações e considerar medidas administrativas eficazes para a proteção das pessoas a que se refere o artigo 2 desta Convenção;
- c) garantir o mais amplo direito de defesa a toda pessoa privada da liberdade em virtude de aplicação desta Convenção;
- d) procurar que sejam incluídos em suas respectivas legislações penais os atos delituosos matéria desta Convenção, quando já não estiverem nelas previstos;
- e) dar cumprimento da forma mais expedita às rogatórias com relação aos atos delituosos previstos nesta Convenção.

Artigo 9

Esta Convenção fica aberta à assinatura dos Estados Membros da Organização dos Estados Americanos, bem como à de qualquer Estado Membro da Organização das Nações Unidas ou de qualquer dos organismos especializados a ela vinculados, ou que seja parte no Estatuto da Corte Internacional de Justiça, e à de qualquer outro Estado que for convidado pela Assembleia Geral da Organização dos Estados Americanos a assiná-la.

Artigo 10

Esta Convenção será ratificada pelos Estados signatários, de acordo com suas respectivas normas constitucionais.

Artigo 11

O instrumento original, cujos textos em espanhol, francês, inglês e português são igualmente autênticos, será depositado na Secretaria-Geral da Organização dos Estados Americanos, e referida Secretaria enviará cópias autenticadas aos Governos signatários para fins da respectiva ratificação. Os instrumentos de ratificação serão depositados na Secretaria-Geral da Organização dos Estados Americanos e a referida Secretaria notificará tal depósito aos Governos signatários.

Artigo 12

Esta Convenção entrará em vigor entre os Estados que a ratificarem, na ordem em que depositarem os instrumentos de suas respectivas ratificações.

Artigo 13

Esta Convenção vigorá indefinidamente, mas poderá ser denunciada por qualquer dos Estados contratantes. A denúncia será encaminhada à Secretaria-Geral da Organização dos Estados Americanos e a referida Secretaria a comunicará aos demais Estados contratantes. Transcorrido um ano a partir da denúncia, cessarão para o Estado denunciante os efeitos da Convenção, ficando ela subsistente para os demais Estados contratantes.

DECLARAÇÃO DO PANAMÁ

A Delegação do Panamá deixa consignado que nada nesta Convenção poderá ser interpretado no sentido de que o direito de asilo implica o de poder solicitá-lo às autoridades dos Estados Unidos da América na Zona do Canal do Panamá, nem o reconhecimento de que o Governo dos Estados Unidos tem direito de conceder asilo ou refúgio político no território da República do Panamá que constitui a Zona do Canal do Panamá.

EM FÉ DO QUE, os Plenipotenciários infra-assinados, apresentados os seus plenos poderes, que foram achados em boa e devida forma, assinam esta Convenção em nome dos seus respectivos Governos, na cidade de Washington, D.C., no dia dois de fevereiro de mil novecentos e setenta e um.

POR NICARAGUA:
FOR NICARAGUA:
PELA NICARÁGUA:
POUR LE NICARAGUA:

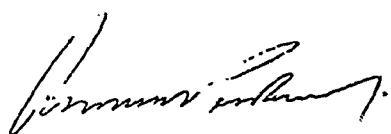
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POR TRINIDAD Y TOBAGO:
FOR TRINIDAD AND TOBAGO:
POR TRINIDAD E TOBAGO:
POUR TRINITE ET TOBAGO:

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POR PERU.
FOR PERU:
PELO PERU:
POUR LE PERU:

POR HONDURAS:
FOR HONDURAS:
POR HONDURAS:
POUR LE HONDURAS:



POR GUATEMALA:
FOR GUATEMALA:
PELA GUATEMALA:
POUR LE GUATEMALA:

POR URUGUAY:
FOR URUGUAY:
PELO URUGUAI.
POUR L'URUGUAY:

Joaquim Bentos.

POR BOLIVIA:
FOR BOLIVIA:
PELA BOLIVIA:
POUR LA BOLIVIE:

-POR ECUADOR:
FOR ECUADOR:
PELO EQUADOR:
POUR L'EQUATEUR:

POR CHILE:
FOR CHILE:
PELO CHILE:
POUR LE CHILI.

POR BARBADOS:
FOR BARBADOS:
POR BARBADOS:
POUR LA BARBADE:

POR MEXICO:
FOR MEXICO:
PELO MÉXICO:
POUR LE MEXIQUE:

Wilma D. Roberts

POR LOS ESTADOS UNIDOS DE AMERICA:
FOR THE UNITED STATES OF AMERICA:
PELOS ESTADOS UNIDOS DA AMERICA:
POUR LES ETATS-UNIS D'AMERIQUE:

Solomon G. Glazier II
Charles E. Haughey
Sowell W. Brown, Jr.
Mildred B. Feldman

TIAS 8413

POR PANAMA:
FOR PANAMA:
PELO PANAMÁ:
POUR PANAMA:

POR COSTA RICA:
FOR COSTA RICA:
POR COSTA RICA:
POUR COSTA RICA:

POR BRASIL:
FOR BRAZIL.
PELO BRASIL:
POUR LE BRESIL:

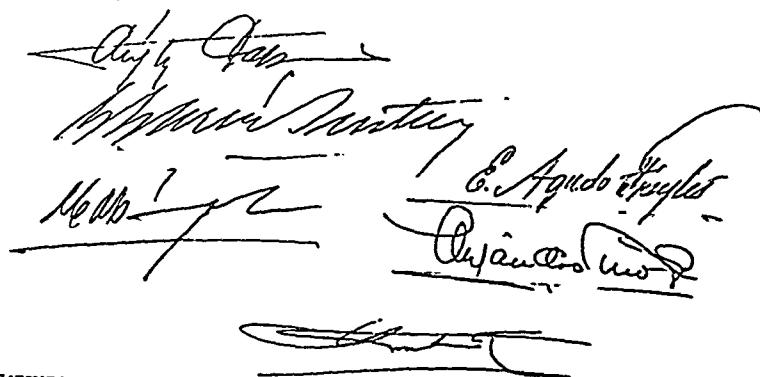
POR HAITI:
FOR HAITI.
PELO HAITI:
POUR HAITI.

POR PARAGUAY:
FOR PARAGUAY:
PELO PARAGUAI.
POUR LE PARAGUAY:

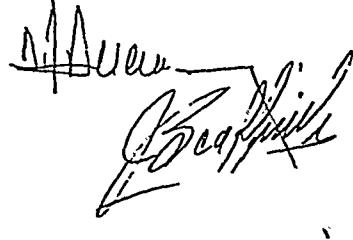
POR LA REPUBLICA DOMINICANA:
FOR THE DOMINICAN REPUBLIC:
PELA REPUBLICA DOMINICANA:
POUR LA REPUBLIQUE DOMINICAINE:

The image shows two handwritten signatures. The top signature is in Spanish and reads "Jaime M. Fernández". The bottom signature is in English and reads "C. A. L. García". Both signatures are written in cursive ink.

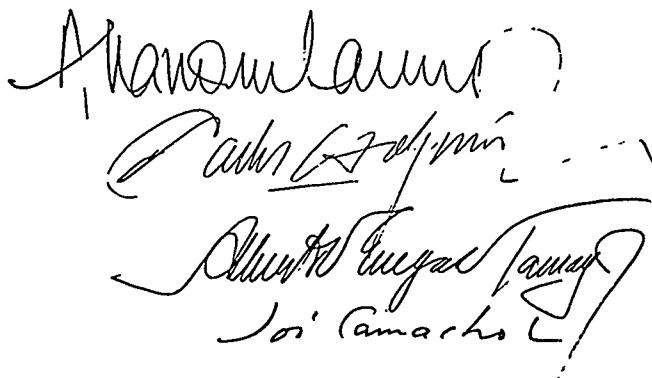
POR VENEZUELA:
FOR VENEZUELA:
PELA VENEZUELA:
POUR LE VENEZUELA:



POR EL SALVADOR:
FOR EL SALVADOR:
POR EL SALVADOR:
POUR LE SALVADOR:



POR COLOMBIA:
FOR COLOMBIA:
PELA COLOMBIA:
POUR LA COLOMBIE:



POR LA REPUBLICA ARGENTINA:
FOR THE ARGENTINE REPUBLIC:
PELA REPUBLICA ARGENTINA:
POUR LA REPUBLIQUE ARGENTINE:

POR JAMAICA:
FOR JAMAICA:
PELA JAMAICA:
POUR LA JAMAIQUE:



Certifico que el documento preinserto es copia fiel y exacta de los textos originales en español, inglés, francés y portugués de la "Convención para prevenir y sancionar los actos de terrorismo configurados en delitos contra las personas y la extorsión conexa cuando éstos tengan trascendencia internacional", y que los textos firmados de dichos originales se encuentran depositados en la Secretaría General de la Organización de los Estados Americanos.

10 de febrero de 1971

I hereby certify that the foregoing document is a true and faithful copy of the authentic texts in English, French, Portuguese and Spanish of the "Convention to prevent and punish the acts of terrorism taking the form of crimes against persons and related extortion that are of international significance", and that the signed originals of these texts are on deposit with the General Secretariat of the Organization of American States.

February 10, 1971

Je certifie que le document qui précède est une copie fidèle et conforme aux textes authentiques en anglais, espagnol, français et portugais de la "Convention pour la prévention ou la répression des actes de terrorisme qui prennent la forme de délits contre les personnes ainsi que de l'extorsion connexe à ces délits lorsque de tels actes ont des répercussions internationales", et que les originaux signés de ces textes se trouvent déposés au Secrétariat général de l'Organisation des Etats Américains.

10 février 1971

Certifico que o documento transcrito é cópia fiel e autêntica dos textos originais em espanhol, francês, inglês e português da "Convención para prevenir e punir os atos de terrorismo configurados em delitos contra as pessoas e a extorsão conexa, quando tiverem êles transcendência internacional", e que os textos assinados de ditos originais encontram-se depositados na Secretaria-Geral da Organização dos Estados Americanos.

10 de fevereiro de 1971



M. Rafael Urquiza

Secretario General Adjunto
de la Organización de los
Estados Americanos

Assistant Secretary General
of the Organization of
American States

Secrétaire général adjoint
de l'Organisation des
Etats Américains

Secretário-Geral Adjunto
da Organização dos
Estados Americanos

SRI LANKA

Telecommunications: Facilities of Radio Ceylon

Agreement extending the agreement of May 12 and 14, 1951, as amended and extended.

Effectuated by exchange of notes

Signed at Colombo May 19 and October 1, 1976;

Entered into force October 1, 1976.

The American Chargé d'Affaires ad interim to the Ceylonese Prime Minister and Minister of Defense and Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA,

COLOMBO, May 19, 1976.

EXCELLENCY:

I have the honor to refer to the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated May 12, 1951, and May 14, 1951, concerning the installation by the Government of the United States of America of certain radio transmission and associated equipment for use by Radio Ceylon for the broadcast of 'Voice of America' programs over Radio Ceylon. I refer also to the extensions of that Agreement provided for in the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated July 14, 1954, and August 23, 1954, and to the further extensions and modification contained in the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated April 30, 1962, and April 26, 1971.¹

In accordance with the notice of intention to renew the agreement contained in the Embassy's note of November 13, 1975, I have the honor to inform you that my Government proposes that such extension be for five years, until the 14th day of May, 1981.

If the foregoing proposal is agreeable to the Government of Sri Lanka, the Government of the United States of America proposes that this Note and your reply concurring therein shall constitute an Agreement between the two Governments to enter into force on the date of your Note in reply.

¹ TIAS 2259, 4436, 5037, 7126; 2 UST 1041; 11 UST 229; 13 UST 972; 22 UST 691.

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

RAYMOND L. PERKINS

Charge d'Affaires ad interim

Her Excellency

SIRIMAVO R. D. BANDARANAIKE,

Prime Minister and

*Minister of Defence and Foreign Affairs,
Colombo.*

*The Ceylonese Secretary, Ministry of Information and Broadcasting,
to the American Ambassador*

Digitized by srujanika@gmail.com

ప్రపంచ	29738
మానవి	20646
Heiner	
అధికారి గట్టి	
సామాజిక విషయాలలో	29824
Dr. Heiner	
ఎంటు	29823
అధికారి	
Secretary	
అధికారి కావాలు గట్టి	
ప్రపంచ మానవ గట్టి	24014
Senior Ass. Secretary	
అధికారి గట్టి	20944
అధికారి కావాలు గట్టి	
Ass. Secretary	
ప్రపంచ	21641
మానవి	28373
గట్టి	



సోద నుండి }
ఎల్లా లైట్ }
మీ ను. }

సోద నుండి }
ఎల్లా లైట్ }
కుమార్తా

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අංශ මැද්‍ය දෙපාල කොළඹ පාලම 1 No. 162

MINISTRY OF INFORMATION & BROADCASTING 7, 1st Floor, Jayathissa Mawatha, Colombo 1, Sri Lanka
Reg. No. C.G. Reg. No. 162

1st Oct., 1976.

His Excellency Mr. JOHN H. REED,
Ambassador of the United States of America
in Sri Lanka,
Galle Road,
Colombo-3.

YOUR EXCELLENCY.

I have been directed by the Prime Minister to acknowledge receipt of letter dated May 19, 1976, addressed to her by the Charge d'Affaires of Your Mission, Mr. Raymond L. Perkins, the text of which is as follows:

"I have the honour to refer to the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated May 12, 1951 and May 14, 1951, concerning the installation by the Government of the United States of America of certain radio transmission and associated equipment for use by Radio Ceylon for the broadcast of "Voice of America" programs over Radio Ceylon. I refer also to the extensions of that Agreement provided for in the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated July 14, 1954, and August 23, 1954, and to the further

TIAS 8414

extensions and modification contained in the Notes exchanged between the Government of the United States of America and the Government of Sri Lanka dated April 30, 1962, and April 26, 1971.

In accordance with the notice of intention to renew the agreement contained in the Embassy's Note of November 13, 1975, I have the honour to inform you that my Government proposes that such extension be for five years, until the 14th day of May, 1981.

If the foregoing proposal is agreeable to the Government of Sri Lanka, the Government of the United States of America proposes that this Note and your reply concurring therein shall constitute an Agreement between the two Governments to enter into force on the date of your Note in reply."

The proposals contained in the above-mentioned Note are acceptable to my Government. I have noted that the above-mentioned Note, together with this Note in reply, concurring therein, shall constitute an agreement between our two Governments to enter into force on the date of this reply.

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

W TILLEKARATNE

*Secretary,
Ministry of Information and
Broadcasting.*

PHILIPPINES

Alien Amateur Radio Operators

*Agreement effected by exchange of notes
Signed at Manila October 25, 1976;
Entered into force October 25, 1976.*

The Philippine Acting Secretary of Foreign Affairs to the American Ambassador

REPUBLIKA NG PILIPINAS
(REPUBLIC OF THE PHILIPPINES)
KAGAWARAN NG SULIRANING PANLABAS
(DEPARTMENT OF FOREIGN AFFAIRS)
MAYNILA

26156

MANILA, 25 October 1976

EXCELLENCY,

I have the honor to refer to conversations between the representatives of our two (2) governments concerning the possibility of concluding an agreement for the reciprocal granting of authorization to permit licensed amateur radio operators who are citizens of the Philippines to operate their stations in the United States of America, and citizens of the United States of America to operate their stations in the Philippines, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959.^[1]

Pursuant to Radio Regulations Part V (contained in Department of Public Works and Communications Order No. 13 dated 16 February 1971), the Philippine Government is agreeable to the conclusion of such an agreement under the following terms:

1. A citizen of either the Philippines or the United States of America who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by that Government, shall be permitted by the other Government, on a reciprocal basis and subject to the following provisions, to operate such station in its territory.

2. Before being permitted to operate such a station in that territory, as provided in sub-paragraph 1 above, such citizen shall obtain from

¹ TIAS 4893; 12 UST 2633.

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 sub-paragraph 2 under such conditions and terms as it may prescribe, including the right to cancel such authorization at any time.

4. This agreement shall remain in force indefinitely. Either Party may terminate it six (6) months after notice in writing has been given to the other Party.

If the foregoing arrangements are acceptable to the Government of the United States of America, I have the honor to propose that this Note and Your Excellency's reply concurring therein shall constitute an agreement between the Philippines and the United States of America, to take effect on the date of said reply.

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

JOSE D INGLES

Jose D. Ingles

Acting Secretary of Foreign Affairs

His Excellency

WILLIAM H. SULLIVAN

*Ambassador of the United States
of America
Manila*

The American Ambassador to the Philippine Acting Secretary of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 650

OCTOBER 25, 1976

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note no. 26156 of October 25, 1976, 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 the Philippines 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.

TIAS 8415

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. A citizen of either the Philippines or the United States of America who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by that Government, shall be permitted by the other Government, on a reciprocal basis and subject to the following provisions, to operate such station in its territory.

2. Before being permitted to operate such a station in that territory, as provided in sub-paragraph 1 above, such citizen shall 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 sub-paragraph 2 under such conditions and terms as it may prescribe, including the right to cancel such authorization at any time.

4. This agreement shall remain in force indefinitely. Either Party may terminate it six (6) months after notice in writing has been given to the other Party.

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.

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

W. H. SULLIVAN

His Excellency

JOSE D. INGLES

*Acting Secretary of Foreign Affairs
of the Philippines*

ITALY
Earthquake Assistance

*Agreement effected by exchange of notes
Signed at Rome June 9, 1976;
Entered into force June 9, 1976.*

The American Ambassador to the Italian Minister for Foreign Affairs

No. 277

ROME, June 9, 1976

EXCELLENCY.

I have the honor to refer to the conversations which have recently taken place between representatives of our two governments with respect to the human suffering and physical devastation caused by the recent earthquakes in the Friuli region of Italy. The United States wishes to assist and cooperate with the Government of Italy in alleviating the suffering caused by the tragedy. To this end, the United States Congress has authorized the provision of assistance to the earthquake victims of Italy in the context of the Foreign Assistance Act of 1961, as amended,^[1] and related legislation.

In this context, the Government of the United States desires to define further those conditions and understandings between the two Governments which would permit and facilitate the effective use of United States assistance in the afflicted areas of Italy. In accordance therewith I am confirming the following understandings reached as a result of the above mentioned conversations.

1. The United States Government undertakes to make available to the Government of Italy or its agencies, to regional, provincial or municipal governments, or—upon agreement with the Italian Government—to any other public or quasi-public body or organization, to an appropriate credit institution, or to a voluntary, nonprofit organization of Italian, United States, or international character, commodities, services or funds for the carrying out of programs of relief and rehabilitation or other assistance. In the event that the United States Government intends to make available resources, as described above, to the above-mentioned non-governmental entities, it will notify the Italian Government, in order to obtain the agreement of the latter. The Italian Government undertakes to communicate its own position on the matter within twenty days.

¹75 Stat. 424, 22 U.S.C. § 2151 note.

2. The purpose, amounts and other terms and conditions relating to assistance which is intended to be furnished will be detailed by common accord between the United States Government and such entities.

3. The United States cannot furnish any assistance, the provision of which would not be in accord with the applicable laws or regulations of the United States, or with Italian laws or regulations.

4. The United States Government will furnish the names of the personnel to whom, within the framework of the Embassy, will be entrusted the special task of the implementation of the transactions relating to the present agreement.

5. Any supplies, materials or equipment financed by the United States Government which are introduced into Italy for the above purposes as well as any legal instruments and other transfers of resources for such purposes, shall enjoy all exemptions from tariffs, taxes, duties or other levies accorded by Italian law and by the law of the European Community for the Friuli disaster or as subsequently amplified as well as any other exemption or facility accorded by Italian law.

6. The Government of Italy and the United States Government shall, upon the request of either, consult regarding any matter relating to the application of this understanding or to activities carried out hereunder. Either the Government of Italy or the United States Government shall provide such information, relating to the purposes and implementation of this understanding, as the other may request.

7. The Government of Italy understands that the United States Government will require assurances in subsequent accords with the entities described in paragraph 1 with respect to its right of access to the books, records, and other relevant documents relating to assistance projects and programs financed by the United States. Nothing in this understanding is intended to restrict in any way the right of the Government of Italy itself to conduct such inspections in accordance with its laws and regulations.

I would appreciate receiving your confirmation of these understandings at your earliest convenience.

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

JOHN A. VOLPE

His Excellency

MARIANO RUMOR,
Minister for Foreign Affairs,
Rome.

The Italian Minister for Foreign Affairs to the American Ambassador

IL MINISTRO DEGLI AFFARI ESTERI

5335

ROMA, 9 giu 1976

ECCellenza,

ho l'onore di accusare ricevuta della Sua lettera, in data 9 giugno 1976, del seguente tenore:

"ECCellenza,

ho l'onore di fare riferimento alle conversazioni che si sono svolte recentemente tra i rappresentanti dei nostri due Governi in merito alle sofferenze umane ed alle devastazioni materiali causate dai recenti terremoti nella regione del Friuli in Italia. Gli Stati Uniti desiderano cooperare con il Governo italiano ed assisterlo nell'alleviare le sofferenze causate dalla tragedia. A tal fine, il Congresso degli Stati Uniti, nel contesto della Legge per gli Aiuti all'estero del 1961, così come modificata, e altra relativa legislazione, ha autorizzato la fornitura di aiuti alle vittime del terremoto in Italia.

In questo contesto, il Governo degli Stati Uniti desidera definire ulteriormente quelle condizioni e quelle intese tra i due Governi che permetterebbero e faciliterebbero l'uso efficace degli aiuti statunitensi nelle aree italiane colpite. In conformità con quanto sopra confermo le seguenti intese raggiunte durante le suddette conversazioni.

1. Il Governo degli Stati Uniti si impegna a mettere a disposizione del Governo italiano o sue articolazioni, delle amministrazioni regionali, provinciali o comunali, o, previa intesa col Governo italiano, di qualsiasi altro Ente o Organizzazione pubblica o semi pubblica, di un appropriato istituto de credito, di un'organizzazione volontaria non avente scopo di lucro italiani, statunitensi o internazionali, merci, servizi o fondi per l'attuazione di programmi di aiuto e di riabilitazione o altra assistenza.

Nel caso in cui il Governo degli Stati Uniti interda mettere a disposizione i beni di cui sopra ad organizzazioni od enti non governativi sopra menzionati, ne darà notizia, al fine di ottenerne l'intesa, al Governo italiano. Quest'ultimo si impegna a comunicare la propria posizione entro il termine di venti giorni.

2. Gli scopi, l'ammontare ed altri termini e condizioni relativi agli aiuti che si intendono fornire saranno precisati di comune accordo tra il Governo degli Stati Uniti e gli enti predetti.

3. Gli Stati Uniti non potranno fornire alcun aiuto la cui fornitura non sia in conformità con le leggi e i regolamenti degli Stati Uniti in materia, nonché con le norme legislative e regolamenti italiani.

4. Il Governo degli Stati Uniti indicherà i nominativi del personale al quale, nell'ambito dell'Ambasciata, verrà affidato lo speciale incarico del disbrigo degli affari inerenti al presente accordo.

5. Tutte le forniture, i materiali e le attrezzature finanziate dal Governo degli Stati Uniti introdotte in Italia ai fini predetti, nonchè gli atti giuridici ed ogni altro trasferimento di beni agli stessi fini, godranno di tutte le esenzioni da dazi doganali, tasse, imposte od altri gravami accordate dalla legge italiana e dalle disposizioni della Comunità Europea a seguito del terremoto nel Friuli, così come precisato da leggi o regolamenti comunitari o successivamente modificate od ampliate, nonchè di ogni altra esenzione o facilitazione accordata dalle leggi italiane.

6. Il Governo italiano e il Governo degli Stati Uniti, a reciproca richiesta, si consulteranno per qualsiasi materia relativa all'attuazione della presente intesa o alle attività svolte in base ad essa. Il Governo italiano ed il Governo degli Stati Uniti forniranno tutte le informazioni richieste dall'altra parte relative agli scopi e all'attuazione della presente intesa.

7. Il Governo italiano prende atto che il Governo degli Stati Uniti richiederà assicurazioni, di comune accordo con gli enti di cui al paragrafo 1, circa il suo diritto di accesso ai libri, agli atti e agli altri documenti relativi ai progetti e ai programmi di assistenza finanziati dagli Stati Uniti. Nulla nel presente accordo è inteso a limitare in qualsiasi modo il diritto del Governo italiano di svolgere esso stesso modo il diritto del Governo italiano di svolgere esso stesso tali ispezioni in conformità con le sue leggi e regolamenti.

Sarei grato di ricevere conferma delle presenti intese al più presto possibile.

Voglia gradire, Eccellenza, i sensi della mia più alta considerazione."

Sono lieto di comunicare a V.E. il consenso del Governo italiano alle proposte sopra riferite.

La prego di gradire, Eccellenza, i sensi della mia più alta considerazione.

MARIANO RUMOR

S.E. JOHN VOLPE
Ambasciatore degli Stati Uniti
Roma

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TIAS 8416

Translation

MINISTER FOR FOREIGN AFFAIRS

No. 5335

ROME, *June 9, 1976***EXCELLENCY.**

I have the honor to acknowledge receipt of your note dated June 9, 1976, which reads as follows:

[For the English language text, see pp. 3988-3989.]

I take pleasure in informing Your Excellency of the Italian Government's agreement with the above-mentioned proposals.

Accept, Excellency, the assurances of my highest consideration.

MARIANO RUMOR

His Excellency

JOHN VOLPE,

*Ambassador of the United States,
Rome.*

PERU

Claims: Marcona Mining Company

*Agreement signed at Lima September 22, 1976;
Entered into force October 21, 1976.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERN- MENT OF PERU

The Governments of the United States of America and Peru, with the objective of arriving at a definitive settlement concerning just compensation for the expropriated assets of the Marcona Mining Company, whose mining metallurgical complex in Peru was nationalized in accordance with the stipulations of Decree Law 21228 have decided to conclude the following agreement:

ARTICLE I

In view of the differences arising in the valuation of the properties of the North American firm, the Marcona Mining Company, subject to expropriation by the Government of Peru, the Government of the United States of America extended its good offices so that relations between the two countries would not be affected by certain aspects of a matter which is governed by the laws of the expropriating country and by principles of international law.

Within these principles and based on the reports of the Commissions designated by the Government of Peru for the valuation of the assets and liabilities and the determination of debts, the Government of Peru agrees to pay to the Marcona Mining Company as just compensation for its expropriated assets the sum of \$61,440,000 (sixty-one million four hundred forty thousand U.S. dollars), in the following manner:

A) \$37 million (thirty-seven million U.S. dollars) in cash, by promissory note, which will be accepted by the Banco de la Nación in its capacity as financial agent of the State, and which will be paid on the date on which the necessary financing becomes available, under the terms and conditions fixed in the promissory note which reflects this obligation.

B) \$22,440,000 (twenty-two million four hundred forty thousand U.S. dollars), as partial payment through the sale exclusively in the

United States market of 3,740,000 long tons (three million seven hundred forty thousand) of iron ore in the form of pellets, and that is calculated on the basis of the \$6 (six U.S. dollars) per ton that it is estimated Marcona, Inc. should obtain above the sale prices fixed in the contract it will conclude with Minero Peru Comercial, which are as follows: \$18 (eighteen U.S. dollars) per ton for the first 1.1 million tons, \$20 (twenty U.S. dollars) per ton for the succeeding two million tons and \$23 (twenty-three U.S. dollars) per ton for the final 640,000 tons.

C) \$2,000,000 (two million U.S. dollars) derived from the freight contract concluded between the Compañía Peruana de Vapores and Marcona Carriers on December 11, 1975, which remains in force until March 31, 1977, under competitive conditions, and which results from calculating \$1.00 (one U.S. dollar) per long ton in the rates established under said contract.

ARTICLE II

The Government of the United States confirms that with the payment of the \$37 million (thirty-seven million U.S. dollars) cash through a promissory note and the fulfillment of the contractual obligations that the Government of Peru assumes, for implementation by its pertinent public entities, as stipulated in Article I, all the responsibilities and obligations of the Government of Peru toward the Marcona Corporation, its subsidiaries, branches or affiliates arising out of the nationalization by Peru of the Peruvian branch of the Marcona Mining Company, including all of the obligations resulting from the off-loading of the cargo of the SS ELIZABETH LYKES at the port of Callao on August 5, 1975, which passed to the ownership of Hierro-Peru, will be satisfied.

ARTICLE III

In view of the intergovernmental nature of this agreement, the Government of Peru declares that there no longer exist any liabilities for the payment of taxes, or any other charge or obligation, or legal action, civil or otherwise, against the Marcona Corporation or its subsidiaries, branches or affiliates, including the Marcona Mining Company, or against the present or former officials of any of them, regarding their activities as employees of Marcona Corporation, its subsidiaries, branches or affiliates, prior to the conclusion of this agreement. Nor will there be any claims or proceedings based on such taxes, charges, obligations, or legal actions affecting the natural or juridical persons referred to above.

ARTICLE IV

After the entry into force of this agreement, neither Government will present to the other, on its behalf or on behalf of natural or juridical persons of its nationality, any claim or demand arising out of the nationalization by the Government of Peru of Marcona Mining

Company's mining-metallurgical complex in Peru or of the operations of the Marcona Mining Company or its subsidiaries. In the event that such claims are presented directly by nationals or juridical persons of one country to the Government of the other, such Government will refer them to the Government to which the national or juridical person belongs.

The preceding paragraph of this Article is subject to the payment of \$37 million (thirty-seven U.S. million dollars) in cash and performance of the contractual obligations referred to in Article I of this agreement.

ARTICLE V

The Government of Peru affirms that in accordance with Article 12 of Decree Law 21228, Hierro-Peru has assumed, by subrogation, the outstanding obligations of the Peruvian branch of the Marcona Mining Company to suppliers and lending institutions, as well as the salaries and social benefits of its employees.

ARTICLE VI

It is the understanding of the Government of the United States of America that the Marcona Corporation recognizes that the undertakings of the Government of Peru specified in the present agreement, once implemented, constitute the full and final settlement of its claims resulting from the nationalization, and that it similarly accepts and promises to carry out fully and in good faith, the contracts with Minero Peru Comercial entered into relating to the sale of ore, and with Compañía Peruana de Vapores relating to the freight contract dated December 11, 1975, until its expiration on March 31, 1977.

ARTICLE VII

The present agreement will enter into force upon its approval by the Government of Peru, and upon the signature and acceptance of the promissory note and ore sales contract referred to in this agreement.^[1] Done in Lima this 22nd day of September, 1976, in English and Spanish, both versions being equally authentic.

FOR THE GOVERNMENT OF
THE UNITED STATES
OF AMERICA

CARLYLE E MAW

Carlyle E. Maw
*Special Representative
of the President*

ROBERT W DEAN
Robert W. Dean
Ambassador

FOR THE REPUBLIC OF PERU

JOSÉ DE LA PUENTE R

José de la Puente Radbill
Minister for Foreign Affairs

¹ Oct. 21, 1976.

**CONVENIO ENTRE EL GOBIERNO DE LOS ESTADOS UNIDOS
DE AMERICA Y EL GOBIERNO DEL PERU**

Los Gobiernos de los Estados Unidos de América y el Perú, con el objeto de llegar a un arreglo definitivo sobre el justiprecio de los activos expropiados a Marcona Mining Company, cuyo complejo minero metalúrgico en el Perú fue nacionalizado de acuerdo con las estipulaciones del Decreto Ley 21228, han decidido concluir el siguiente Convenio:

ARTICULO I

En vista de la discrepancia surgida en la valorización de los bienes de propiedad de la Empresa norteamericana Marcona Mining Company sujetos a expropiación por el Gobierno del Perú, el Gobierno de los Estados Unidos de América ofreció sus buenos oficios a fin de que las relaciones entre ambos países no fueran afectadas por determinados aspectos de un asunto regulado por las leyes del país expropiante y los principios del Derecho Internacional.

Dentro de estos principios, y en base a los informes de las comisiones designadas por el Gobierno peruano para la valorización de activos y pasivos y la determinación de adeudos, el Gobierno del Perú se compromete a pagar a la Marcona Mining Company como justiprecio por los bienes expropiados la suma de US\$ 61'440,000.00 (sesentún millones cuatrocientos cuarenta mil dólares americanos), de la manera siguiente:

A) En efectivo US\$ 37'000,000.00 (treintisiete millones de dólares americanos), por medio de un pagaré que será aceptado por el Banco de la Nación en su calidad de agente finanziario del Estado, y que se cancelará en la fecha en que el finanziamiento necesario sea logrado, en las condiciones y en los plazos fijados en el pagaré presentativo de esta obligación.

B) US\$ 22'440,000.00 (veintidós millones cuatrocientos cuarenta mil dólares americanos) como parte de pago a través de la venta exclusivamente en el mercado de los Estados Unidos de América, de 3'740,000 toneladas largas (tres millones setecientos cuarenta mil) de mineral de hierro en forma de pellets y que se calcula a razón de US\$ 6.00 (seis dólares americanos) por tonelada, que se estima obtendría Marcona Inc., por encima de los precios de venta fijados en el contrato que suscribirá con Minero Perú Comercial, que son los siguientes: US\$ 18.00 (dieciocho dólares americanos) por tonelada para el primer 1.1 millón de toneladas; US\$ 20.00 (veinte dólares americanos) por tonelada para los 2 millones de toneladas siguientes; y US\$ 23.00 (veintitrés dólares americanos) por tonelada para las 640 mil toneladas finales.

C) US\$ 2'000,000.00 (dos millones de dólares americanos) derivados del contrato de fletamento suscrito entre la Compañía Peruana de Vapores y Marcona Carrier, el 11 de diciembre de 1975, con vigencia

hasta el 31 de marzo de 1977, bajo condiciones competitivas y que resulta de contabilizar un dólar americano no (US\$ 1.00) por tonelada larga, en lastarifas establecidas en dicho contrato.

ARTICULO II

El Gobierno de los Estados Unidos de América declara que, con el pago de US\$ 37'000,000.00 (treintisiete millones de dólares americanos) en efectivo por medio de un pagaré y el cumplimiento de las obligaciones contractuales que asume el Gobierno del Perú, y que serán ejecutadas por sus empresas públicas pertinentes, de acuerdo con lo estipulado en el Artículo I, quedarán canceladas todas las responsabilidades y obligaciones del Gobierno del Perú para con la Marcona Corporation, y sus subsidiarias, sucursales o afiliadas, provenientes de la nacionalización de la sucursal peruana de la Marcona Mining Company, incluyendo todas las obligaciones resultantes del desembarco de la carga de la nave SS ELIZABETH LYKES en el puerto del Callao el 5 de agosto de 1975, que pasó a propiedad de Hierro Perú.

ARTICULO III

En vista de la naturaleza intergubernamental de este Acuerdo, el Gobierno del Perú declara que ya no existirá ninguna responsabilidad por el pago de impuestos o cualquier otro cargo u obligación, o acción legal, civil o de otra índole, en contra de Marcona Corporation o sus subsidiarias, sucursales o afiliadas, incluyendo a la Compañía Minera Marcona, o en contra de los actuales o anteriores funcionarios de cualquiera de ellos relacionados con sus actividades como empleados de la Marcona Corporation, sus subsidiarias, sucursales o afiliadas con anterioridad a la conclusión de este Acuerdo. Tampoco harán ningún reclamo o procedimiento basados en tales impuestos, cargos, obligaciones o acciones legales que afecten las personas naturales o jurídicas antes mencionadas.

ARTICULO IV

Después de la entrada en vigencia de este Acuerdo, ninguno de los dos Gobiernos presentará al otro, ya sea en nombre propio o por cuenta de personas naturales o jurídicas de su nacionalidad, ningún reclamo od demanda provenientes de la nacionalización por el Gobierno del Perú del complejo minero metalúrgico de la Compañía Minera Marcona, o de las operaciones de la Compañía Minera Marcona o sus filiales. En el caso de que tales reclamos sean presentados directamente por los nacionales o personas jurídicas de un país al Gobierno del otro país, dicho Gobierno lo referirá al Gobierno a que pertenezca el súbdito o la persona jurídica.

El párrafo precedente de este Artículo está sujeto al pago de los US\$ 37'000,000.00 (treintisiete millones de dólares americanos) en efectivo y al cumplimiento de las obligaciones contractuales mencionadas en el Artículo I de este Convenio.

ARTICULO V

El Gobierno del Perú afirma que, de acuerdo con el Artículo 12 del Decreto Ley 21228, Hierro Perú ha asumido, por subrogación, las obligaciones pendientes de la Sucursal peruana de la Compañía Minera Marcona hacia los abastecedores e instituciones de crédito, así como los salarios y bonificaciones de sus empleados.

ARTICULO VI

Es del entendimiento del Gobierno de los Estados Unidos de América que Marcona Corporation reconoce que los compromisos del Gobierno del Perú estipulados en el presente Acuerdo, una vez cumplidos, constituyen la solución completa y final de sus reclamos resultantes de la nacionalización y que igualmente acepta y se compromete a cumplir plenamente y de buena fe, los contratos con Minero Perú Comercial respecto a la compra de mineral, y con la Compañía Peruana de Vapores, respecto al contrato de fletamiento, de fecha 11 de diciembre de 1975 y hasta su vencimiento el 31 de marzo de 1977.

ARTICULO VII

El presente Convenio entrará en vigor al recibir la aprobación del Gobierno del Perú, y al firmarse y aceptarse el pagaré y el contrato de venta del mineral de hierro que en él se menciona.

Hecho en Lima el veintidós de setiembre de mil novecientos setenta y seis, en español y en inglés, siendo ambas versiones igualmente auténticas.

**POR EL GOBIERNO DE LOS
ESTADOS UNIDOS DE
AMERICA**

CARLYLE E. MAW

Carlyle E. Maw
*Representante Especial del
Presidente*

ROBERT W DEAN

Robert W. Dean
Embajador

POR EL GOBIERNO DEL PERU

JOSE DE LA PUENTE R

José de la Puente Radbill
Ministro de Relaciones Exteriores

GREECE

**Military Assistance: Eligibility Requirements Pursuant
to the Foreign Assistance Act of 1973 and the
International Security Assistance and Arms Ex-
port Control Act of 1976**

*Agreement effected by exchange of notes
Dated at Athens August 31, 1976;
Entered into force August 31, 1976.*

The American Embassy to the Greek Ministry of Foreign Affairs

No. 202

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Government of the Hellenic Republic and has the honor to refer to recent discussions between representatives of the two Governments regarding a provision of United States law which prohibits the United States Government from furnishing defense articles on a grant basis to the Government of the Hellenic Republic, or any other Government, unless the Government of the Hellenic Republic shall have agreed to pay to the United States Government the net proceeds of sale received by the Government of the Hellenic Republic in disposing of defense articles so furnished.

It is therefore proposed that, in addition to the existing agreements and provisions concerning the implementation of the military assistance program to Greece, the Government of the Hellenic Republic agrees also that the net proceeds of sale received by the Government of the Hellenic Republic in disposing of any weapon, weapons system, munition, aircraft, military boat, military vessel, or other defense article, including scrap from any such defense article, received (heretofore or hereafter) under the military assistance program of the United States Government will be paid to the United States Government and shall be available to pay all official costs of the United States Government payable in Greek currency, including all costs relating to the

financing of international educational and cultural exchange activities in which the Government of the Hellenic Republic participates.

In addition to the foregoing matter, the representatives of the two Governments included in their recent discussions new provisions of United States law establishing new statutory authority for military education and training hitherto furnished by the United States Government as a defense service under its military assistance program and prohibiting the furnishing of military assistance or related training unless the recipient country agrees that it will observe the same conditions regarding training and other services as have previously been required with respect to the use, transfer, security, observation and return of defense articles. Agreements in force between the United States Government and the Government of the Hellenic Republic contain the requisite assurances with respect to defense articles, defense services and information furnished to Greece. Since at the time the relevant agreements entered into force, training was furnished by the United States Government as a defense service, the United States Government interprets them as being applicable to training to be furnished under the separate military education and training program. Accordingly, the Embassy of the United States of America has the honor to request the confirmation of the Government of the Hellenic Republic that it construes the agreements in force the same way and that, accordingly, no further agreement is necessary to implement the aforesaid newly-enacted provisions of United States law.

It is proposed that the Ministry's reply stating that the foregoing is acceptable to the Government of the Hellenic Republic shall, together with this note, constitute an agreement between our Governments on this subject, to be effective on the date of the Ministry's reply.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurances of its highest consideration.

A handwritten signature in black ink, appearing to read "JB Sik".

Embassy of the United States of America,
Athens, August 31, 1976.

The Greek Ministry for Foreign Affairs to the American Embassy

MINISTÈRE
DES AFFAIRES ÉTRANGÈRES

3D 2203.210/1/AS 2084

NOTE VERBALE

The Ministry for Foreign Affairs present their compliments to the Embassy of the United States of America and have the honour to acknowledge receipt of its Note No 202, dated August 31, 1976, reading as follows:

"The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Government of the Hellenic Republic, and has the honor to refer to recent discussions between representatives of the two governments regarding a provision of United States law which prohibits the United States Government from furnishing defense articles on a grant basis to the Government of the Hellenic Republic, or any other government, unless the Government of the Hellenic Republic shall have agreed to pay to the United States Government the net proceeds of sale received by the Government of the Hellenic Republic in disposing of defense articles so furnished.

It is therefore proposed that, in addition to the existing agreements and provisions concerning the implementation of the military assistance program to Greece, the Government of the Hellenic Republic agrees also that the net proceeds of sale received by the Government of the Hellenic Republic in disposing of any weapon, weapons system, munition, aircraft, military boat, military vessel, or other defense article, including scrap from any such defense article, received (heretofore or hereafter) under the military assistance program of the United States Government will be paid to the United States Government and shall be available to pay all official costs of the United States Government payable in Greek currency, including all costs relating to

TO THE EMBASSY OF
THE UNITED STATES OF AMERICA

ATHENS

the financing of international educational and cultural exchange activities in which the Government of the Hellenic Republic participates.

In addition to the foregoing matter, the representatives of the two Governments included in their recent discussions new provisions of United States law establishing new statutory authority for military education and training hitherto furnished by the United States Government as a defense service under its Military Assistance Program, and prohibiting the furnishing of military assistance or related training unless the recipient country agrees that it will observe the same conditions regarding training and other services as have previously been required with respect to the use, transfer, security, observation and return of defense articles. Agreements in force between the United States Government and the Government of the Hellenic Republic contain the requisite assurances with respect to defense articles, defense services and information furnished to Greece. Since at the time the relevant agreements entered into force, training was furnished by the United States Government as a defense service, the United States Government interprets them as being applicable to training to be furnished under the separate military education and training program. Accordingly, the Embassy of the United States of America has the honor to request the confirmation of the Government of the Hellenic Republic that it construes the agreements in force the same way and that, accordingly, no further agreement is necessary to implement the aforesaid newly-enacted provisions of United States law.

It is proposed that the Ministry's reply stating that the foregoing is acceptable to the Government of the Hellenic Republic shall, together with this note, constitute an agreement between our governments on this subject, to be effective on the date of the Ministry's reply

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurances of its highest consideration.—"

The Ministry for Foreign Affairs have the honour to state that the foregoing Note together with the present reply constitute an agreement between the Governments of Greece and the United States of America effective as of this date.

The Ministry of Foreign Affairs avail themselves of this opportunity to renew to the Embassy of the United States of America the assurances of their highest consideration.

Athens, August 31, 1976



TLAS 8418

INDONESIA

Military Assistance: Eligibility Requirements Pursuant to the International Security Assistance and Arms Export Control Act of 1976

*Agreement effected by exchange of notes
Dated at Jakarta August 3 and 24, 1976;
Entered into force August 24, 1976.*

The American Embassy to the Indonesian Department of Foreign Affairs

No. 657

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of Indonesia and has the honor to refer to recently enacted provisions of United States law affecting eligibility for U.S. military assistance.

The provisions of the International Security Assistance and Arms Export Control Act of 1976 [¹] establish new statutory authority for military education and training which heretofore has been furnished by the United States Government as a defense service under its Military Assistance Program. In addition, they prohibit the furnishing of military assistance or related training unless the recipient country agrees that it will observe the same conditions regarding training and services as have previously been required with respect to defense articles. These conditions are that, without the consent of the United States Government, the recipient country will not permit the use of such articles, services, or training by anyone not an officer, employee, or agent of that country; that it will not transfer or permit their transfer by gift, sale, or otherwise; that it will not use them or permit their use for purposes other than those for which furnished; that it will maintain their security; that it will permit continuous observation and review by United States Government representatives regarding their use; and that, unless the United States Government consents to other disposition, it will return them to the United States Government when no longer needed.

The Agreement between the United States Government and the Government of the Republic of Indonesia dated April 14, 1967 [²]

¹ 90 Stat. 729; 22 U.S.C. § 2151 note.

² TIAS 6247; 18 UST 384.

contains the requisite assurances with respect to defense articles furnished to the Government of Indonesia by the United States Government. In order to implement the newly enacted provisions of United States law, it is proposed that the Government of Indonesia agree that the assurances set forth in that Agreement as applicable to defense articles, in particular those assurances governing the use and transfer of such defense articles, shall henceforth be applicable as well to training now furnished under the separate Military Education and Training Program, and to defense services furnished to the Government of Indonesia by the United States Government.

It is further proposed that the Department's reply stating that the foregoing is acceptable to the Government of Indonesia shall, together with this note, constitute an agreement between the Governments on this subject, to be effective from the date of the Department's note in reply.

The Embassy of the United States of America avails itself of this opportunity to renew to the Department of Foreign Affairs of the Republic of Indonesia the assurances of its highest consideration.

L M R

EMBASSY OF THE UNITED STATES OF AMERICA,
JAKARTA, August 3, 1976.

The Indonesian Department of Foreign Affairs to the American Embassy

No.: D.0801/76/26

Departemen Luar Negeri Republik Indonesia menyampaikan salam hormatnya kepada Kedutaan Besar Amerika Serikat dan dengan memunjuk nota Kedutaan Besar No.: 657, tertanggal 3 Agustus 1976, memberitahukan bahwa Pemerintah Republik Indonesia dapat menerima sarat-sarat tambahan mengenai penuakaian dan permindahan/perobahan dari latihan dan jasa-jasa pertahanan sebagai tambahan pada sarat-sarat pemakaian dan pemindahan/perobahan dari alat-alat pertahanan seperti tercantum pada "International Security Assistance and Arms Export Control Act" tahun 1976, sesuai dengan yang telah disebut didalam nota Embassy tersebut diatas.

Departemen Luar Negeri mempergunakan kesempatan ini untuk menyampaikan salam dan hormat yang setinggi-tingginya kepada Kedutaan Besar Amerika Serikat.

JAKARTA, 24 Agustus 1976

KEPADA:

KEDUTAAN BESAR AMERIKA SERIKAT
di
JAKARTA



TIAS 8419

Translation

DEPARTMENT OF FOREIGN AFFAIRS
REPUBLIC OF INDONESIA

No. D.0801/76/26

The Department of Foreign Affairs of the Republic of Indonesia presents its compliments to the Embassy of the United States of America and, referring to note No. 657 of the Embassy, dated August 3, 1976, announces that the Government of the Republic of Indonesia accepts the additional terms relating to the use and transfer/shift of training and defense services as a supplement to the terms for the use and transfer/shift of defense articles, as set forth in the International Security Assistance and Arms Export Control Act of 1976, in conformity with what is stated in the above-mentioned note of the Embassy.

The Department of Foreign Affairs avails itself of this opportunity to assure the Embassy of the United States of America of its highest consideration.

JAKARTA, *August 24, 1976*

[Initialed]
[SEAL]

THE EMBASSY OF THE
UNITED STATES OF AMERICA
JAKARTA

ECUADOR

Military Assistance: Eligibility Requirements Pursuant to the International Security Assistance and Arms Export Control Act of 1976

*Agreement effected by exchange of notes
Dated at Quito August 17 and September 3, 1976;
Entered into force September 3, 1976.*

The American Embassy to the Ecuadorean Ministry of Foreign Relations

No. 44

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Relations of the Republic of Ecuador and has the honor to refer to recently enacted provisions of United States law affecting eligibility for United States military assistance and training.

The provisions of the International Security Assistance and Arms Export Control Act of 1976 [1] establish new statutory authority for military education and training which heretofore has been furnished by the United States Government as a defense service under its Military Assistance Program. In addition, they provide that for such training to be furnished, the recipient country should agree that it will observe certain conditions regarding such training. These conditions are that, without the consent of the United States Government, the recipient country will not permit the use of such services or training by anyone not an officer, employee, or agent of that country; that it will not transfer or permit their transfer by gift, sale, or otherwise; that it will not use them or permit their use for purposes other than those for which furnished, that it will maintain their security; that it will permit continuous observation and review by United States Government representatives regarding their use; and that, unless the United States Government consents to other disposition, it will return them to the United States Government when no longer needed.

¹ 90 Stat. 729; 22 U.S.C. § 2151 note.

In order to implement this law, and to preserve the eligibility of the Government of Ecuador for military training thereunder, it is proposed that the Government of Ecuador provide the following assurances:

1. That it will not, without the consent of the United States Government:

A. Permit any use of services or training, furnished by the United States Government by anyone not an officer, employee, or agent of the Government of Ecuador.

B. Transfer or permit any officer, employee, or agent of the Government of Ecuador to transfer such services or training by gift, sale, or otherwise; or

C. Use or permit the use of such services or training for purposes other than those for which furnished by the United States Government:

2. That it will maintain the security of such services or training as are furnished by the United States Government; and will provide substantially the same degree of security protection afforded to such services or training by the United States Government.

3. That it will permit continuous observation and review by, and furnish necessary information to, representatives of the United States Government with regard to the use of such services or training; and

4. That it will return to the United States Government such services or training materials furnished on a grant basis as are no longer needed for the purposes for which furnished, unless the United States Government consents to other disposition.

It is further proposed that the Ministry's reply stating that the foregoing is acceptable to the Government of Ecuador shall, together with this note, constitute an agreement between the Governments on this subject, to be effective from the date of the Ministry's note in reply.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Relations the assurances of its highest and most distinguished consideration.

EMBASSY OF THE UNITED STATES OF AMERICA

QUITO, August 17, 1976

*The Ecuadorean Ministry of Foreign Relations to the American
Embassy*



REPÚBLICA DEL ECUADOR
MINISTERIO DE RELACIONES EXTERIORES

Nº 94/11 DOP

El Ministerio de Relaciones Exteriores saluda atentamente a la Honorable Embajada de los Estados Unidos de América y avisa recibo de su nota número 44, de 17 de agosto último, en la cual le dá a conocer que las disposiciones de la Ley de 1961 sobre Asistencia al Exterior han sido ampliadas para la prestación de servicios de defensa y adiestramiento militares, en virtud de la nueva norma legal vigente a partir del 1 de julio de 1976.

El Ministerio de Relaciones Exteriores ha tomado nota de las seguridades que el Gobierno de los Estados Unidos espera de parte de los Gobiernos que reciban tales servicios y adiestramiento, y luego de la precisiones contenidas en el Aide Memoire de esa Honorable Embajada fechado el 3 de los corrientes, que señala el alcance de las seguridades que correspondería al Gobierno del Ecuador ofrecer, manifiesta su conformidad con los términos de la nota que contesta y acepta que dicha comunicación y la presente respuesta constituyen un convenio entre los dos Gobiernos sobre esta materia, con vigencia a partir de hoy.

El Ministerio de Relaciones Exteriores aprovecha de la oportunidad para reiterar a la Honorable Embajada de los Estados Unidos de América las seguridades de su más alta y distinguida consideración.

Quito, a 3 de setiembre de 1976

A LA HONORABLE
EMBAJADA DE LOS ESTADOS UNIDOS DE AMERICA
CIUDAD

TIAS 8420

Translation

REPUBLIC OF ECUADOR
MINISTRY OF FOREIGN RELATIONS

No. 94/76/DDP

The Ministry of Foreign Relations presents its compliments to the Embassy of the United States of America and acknowledges receipt of its note No. 44 of August 17, 1976, stating that the provisions of the Foreign Assistance Act of 1961 have been amplified for furnishing defense services and military training by virtue of the new law effective from July 1, 1976.

The Ministry of Foreign Relations has taken note of the assurances that the Government of the United States expects from the Governments receiving such services and training, and of the detailed information contained in the Embassy's Aide Mémoire of September 3, 1976^[1], indicating the extent of the assurances which the Government of Ecuador should provide. The Ministry finds the terms of the note to which it is replying to be acceptable and agrees that that note and this reply shall constitute an agreement between the two Governments on this subject, to be effective from this date.

The Ministry of Foreign Relations avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest and most distinguished consideration.

QUITO, September 3, 1976

[Initialed]

EMBASSY OF THE UNITED STATES OF AMERICA,
QUITO.

¹Not printed.

MULTILATERAL

Aviation: Joint Financing of Certain Air Navigation Services in Iceland and in Greenland and the Faroe Islands

Agreement amending the agreements done at Geneva September 25, 1956, as amended.

*Adopted by the Council of the International Civil Aviation Organization at Montreal June 14, 1976;
Effective December 29, 1977.*

INTERNATIONAL CIVIL
AVIATION ORGANIZATION

ORGANIZACIÓN DE AVIACIÓN
CIVIL INTERNACIONAL



ORGANISATION DE L'AVIATION
CIVILE INTERNATIONALE

МЕЖДУНАРОДНАЯ ОРГАНИЗАЦИЯ
ГРАЖДАНСКОЙ АВИАЦИИ

P.O. BOX 400, SUCCURSALE: PLACE DE L'AVIATION INTERNATIONALE,
1000 SHERBROOKE STREET WEST, MONTREAL, QUEBEC, CANADA H3A 2R2

CABLES: ICAO MONTREAL
TELEX: 05-24513
CENTREX
OFFICE TEL..

Ref.. EC 8/66.6) - 76/125
EC 8/67.6)

20 July 1976

Subject: Amendment of Annexes to Danish and
Icelandic JF Agreements to delete provision
of LORAN services

Action Required: To note

The Secretary General of the International Civil Aviation Organization
presents his compliments and has the honour to state that at its Third Meeting, 88th Session,
the Council decided, in accordance with paragraphs 5 and 6 of Article XIII of the Danish^[1]
and Icelandic^[2] Joint Financing Agreements, to amend Part IV of Annexes I of both Agreements
by deleting, with effect from 29 December 1977, requirements for provisions of LORAN services,
subject to the agreement of the Governments of Denmark and Iceland. The Governments of
Denmark and Iceland subsequently agreed with this decision of the Council.

J. A/Sec Gen

¹ TIAS 4049, 8398, 9 UST 803, *ante*, p. 3795.

² TIAS 4048, 8398, 9 UST 719; *ante*, p. 3795.

MULTILATERAL

Whaling: Amendments to the Schedule to the International Whaling Convention of 1946

*Adopted at the Twenty-eighth Meeting of the International Whaling Commission, London, June 21-25, 1976;
Entered into force October 1, 1976.*

INTERNATIONAL WHALING COMMISSION

THE RED HOUSE
STATION ROAD
HISTON
CAMBRIDGE CB4 4NP

*Chairman. A. G. BOLLEN (Australia)
Vice-Chairman. T. ASGEIRSSON (Iceland)
Secretary: DR. R. GAMBELL*

Our Ref: RG/PRP/113

1 OCTOBER 1976

DR. R. M. WHITE,
NOAA

CIRCULAR COMMUNICATION TO ALL CONTRACTING GOVERNMENTS INTERNATIONAL WHALING CONVENTION 1946¹]

Amendments to the Schedule

The Secretary refers to his circular letters of 2 July, 3 August and 6 August 1976 notifying the Contracting Governments of the amendments to the Schedule of the Convention agreed at the Commission's Twenty-Eighth Annual Meeting.

No objections have been received to the amendments, a consolidated list of which is enclosed, and they therefore become binding on all Contracting Governments from 1 October 1976.

¹ TIAS 1849, 4228; 62 Stat. 1716; 10 UST 952.

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

AMENDMENTS TO THE SCHEDULE

At its Twenty-Eighth Meeting, held in London from 21 to 25 June 1976, the Commission agreed to the following amendments to the Schedule:

Paragraph 1

Add the following at the end of the paragraph: "small-type whaling" means catching operations using powered vessels with mounted harpoon guns hunting exclusively for minke, bottlenose, pilot or killer whales.

Paragraph 6(a)

sub-paragraph 4

Amend to read:

"For the 1976/77 pelagic season and the 1977 coastal season in the Southern Hemisphere and for the 1977 season in all other areas"

Delete: "except for sei whales and Bryde's whales combined in the Southern Hemisphere"

sub-paragraph 5

Delete whole sentence: "For sei and Bryde's whales combined in the Southern Hemisphere . falls short of the MSY stock level".

sub-paragraph 6

Amend to read:

"The following stocks are classified as Sustained Management Stocks for the 1976/77 pelagic season and the 1977 coastal season in the Southern Hemisphere and for the 1977 season in all other areas:

Fin Whales — North Atlantic (East Greenland-Iceland Stock)

Sei Whales — Southern Hemisphere Areas I, II, IV, V, VI

Minke Whales — North Pacific (Western Stock)

Minke Whales — North Atlantic (North American Coast, East Greenland and East Atlantic Stocks)

Sperm Whales

—males — Southern Hemisphere Divisions 3 and 5

Sperm Whales —females — Southern Hemisphere Divisions 2, 3, 6 and 7

Sperm Whales — North Atlantic

The following stocks are provisionally listed as Sustained Management Stocks for 1977, pending the accumulation of sufficient information for classification

Fin Whales — North Atlantic (North Norway, Spain-Portugal-British Isles Stocks)

Sei Whales — North Atlantic (Iceland-Denmark Strait Stock)

Minke Whales — North Atlantic (West Greenland Stock)

Paragraph 6(b)

sub-paragraph 3 Amend to read:

"The following stocks are classified as Initial Management Stocks for the 1976/77 pelagic season and the 1977 coastal season in the Southern Hemisphere and for the 1977 season in all other areas:

Fin Whales	— North Atlantic (Newfoundland-Labrador Stock)
Bryde's Whales	— Southern Hemisphere all Areas
Bryde's Whales	— North Pacific
Minke Whales	— Southern Hemisphere all Areas
Minke Whales	— North Pacific (except the Western Stock)
Sperm Whales	
—males	— Southern Hemisphere Divisions 1, 2, 4, 6 and 8
Sperm Whales	
—females	— Southern Hemisphere Divisions 1, 5 and 8
Sperm Whales	
—males	— North Pacific
Sperm Whales	
—females	— North Pacific

Paragraph 6(c)

sub-paragraph 2 Amend to read:

"There shall be no commercial whaling on species or stocks whilst they are classified as Protection Stocks. The following stocks are classified as Protection Stocks for the 1976/77 pelagic season and the 1977 coastal season in the Southern Hemisphere and for the 1977 season in all other areas:

Blue Whales	— All Oceans
Humpback Whales	— All Oceans
Right Whales	— All Oceans
Gray Whales	— All Oceans
Fin Whales	— Southern Hemisphere all Areas
Fin Whales	— North Pacific
Fin Whales	— North Atlantic (West Norway-Faroe and Nova Scotia Stocks)
Sei Whales	— Southern Hemisphere Area III
Sei Whales	— North Pacific
Sei Whales	— North Atlantic (Nova Scotia Stock)
Sperm Whales	
—males	— Southern Hemisphere Divisions 7 and 9
Sperm Whales	
—females	— Southern Hemisphere Divisions 4 and 9

Paragraph 11

Delete the first two sentences and the footnote.
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 1863 sei whales and 8900 minke whales and 0 Bryde's whales (pending a satisfactory estimate of stock size), in the 1976/77 pelagic season and the 1977 coastal season. The total catches taken in any of the Areas I to VI shall not exceed the limits shown below. However, in no circumstances shall the sum of the Area catches exceed the total quotas for each species:

	Sei Whales	Minke Whales
Area I	388	1062
Area II	113	2041
Area III	0	3003
Area IV	383	1600
Area V	626	1524
Area VI	539	402

Paragraph 12

Amend to read:

"The number of whales taken in the North Pacific Ocean and dependent waters in 1977 shall not exceed the following limits:

Sperm Whales — males	4320
Sperm Whales — females	2880
Bryde's Whales	1000
Minke Whales (Western Stock)	541
Minke Whales (remainder of the North Pacific)	0 pending a satisfactory estimate of stock size

Paragraph 13

Amend to read:

"The number of whales taken in the North Atlantic Ocean in 1977 shall not exceed the following limits:

Fin Whales — Newfoundland Stock	90
Fin Whales — North Norway Stock	61
Minke Whales — North American Stock	48
Minke Whales — West Greenland Stock	325
Minke Whales — East Greenland Stock	320
Minke Whales — East Atlantic Stock	1790
Sei Whales — Iceland-Denmark Strait Stock	132
Sperm Whales —	685

The total catch of fin whales from the East Greenland-Iceland Stock shall not exceed 1524 in the six years 1977 to 1982 inclusive, and the total catch in any one year shall not exceed 304."

Paragraph 14

Amend to read:

"The number of sperm whales taken in the Southern Hemisphere in the 1976/77 pelagic season and the 1977 coastal season shall not exceed 3894 males and 897 females. The total catch in any of the Divisions 1 to 9 shall not exceed the limits shown below. However, in no circumstances shall the sum of the Division catches exceed total quotas."

	Male	Female
Division 1	316	73
Division 2	840	194
Division 3	783	224
Division 4	590	0
Division 5	559	128
Division 6	287	66
Division 7	0	94
Division 8	909	209
Division 9	0	0

Paragraph 15(c)

Add the following:

"It is forbidden to take or kill any sperm whale over 45 feet (13.7 metres) in length in the Southern Hemisphere north of 40°S latitude during the months of October to January inclusive."

Paragraph 21

Add new sub-paragraph as follows:

"(d) A record similar to that described in sub-paragraph (b) of this paragraph shall be maintained by "small-type whaling" operations conducted from shore or by pelagic fleets, and all of this information mentioned in the said sub-paragraph shall be entered therein as soon as available."

Paragraph 23 (paragraph 1 section (c))

Amend line 7 to read:

" . . . each whale treated in the factory ship, land station or "small-type whaling" operations as to the date and approximate"

Paragraph 23 (paragraph 2)

sub-paragraph (b) Add new section as follows:

"(v) Any modifications of the above measures or data from other suitable indicators of fishing effort for "small-type whaling" operations."

BANGLADESH
Debt Consolidation and Rescheduling

*Agreement signed at Washington March 3, 1976;
Entered into force May 11, 1976.*

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND THE PEOPLE'S REPUBLIC OF BANGLADESH

The United States of America ("United States") and the People's Republic of Bangladesh ("Bangladesh");

Having participated in a series of negotiations between Bangladesh and the creditor nations including the United States with respect to pre-1971 foreign debts, wherein the Government of Bangladesh has agreed to assume the performance of certain repayment obligations with respect to certain projects visibly located in the territories now comprised in Bangladesh, and

As a consequence of such acceptance of obligations with respect to visible project loans, the United States, among other things, has agreed to provide certain debt relief to Bangladesh and cooperate with the creditor nations on matters concerning the general economic situation in Bangladesh;

The parties hereto have therefore agreed as follows:

ARTICLE I

Visible Project Loans

1. Definition. "Visible Project Loans" as such term is used herein refers exclusively to those loans (and amounts ascribed thereto due and payable on and after July 1, 1974) listed on Annexes A and B attached hereto which are deemed to relate to visible projects now located in the area comprising Bangladesh.

2. Assumption of Visible Project Loans. Bangladesh hereby assumes the performance of all payment obligations pertaining to the Visible Project Loans and, except as such loans are amended hereby, agrees to perform such payment obligations all with full force and effect as if Bangladesh had originally contracted for the Visible Project Loans as the "borrower" named therein.

3. Further Assurances. The parties hereto shall at the request of either party execute and deliver such instruments and otherwise take such steps as may be reasonable and proper to effectuate the foregoing assumption of responsibility by Bangladesh.

ARTICLE II

Payments and Terms

1. Consolidation and Amendment. The total principal amount due on the Visible Project Loans appearing in Annex A is \$85,101,236 36 (the "Consolidated Principal")

(a) Interest: Bangladesh shall pay to the United States interest which shall accrue at the rate of 1.6 percent per annum on outstanding balance of the Consolidated Principal and on any due and unpaid interest. Interest shall accrue

from the last payment due date in United States fiscal year 1974 on each of the underlying loans and shall be computed on the basis of a 365-day year. Interest shall be due semi-annually commencing July 1, 1974. Payments of interest due in accordance with this Agreement, beginning July 1, 1974 through January 1, 1989 inclusive, shall be capitalized and added to the Consolidated Principal on the dates such interest would otherwise be payable.

(b) Payment: Bangladesh shall pay to the United States the Consolidated Principal within forty (40) years from July 1, 1974, including a fifteen (15) year grace period. Payments shall be made in fifty-one (51) approximately equal semi-annual installments of principal and interest. The first installment of principal shall be due July 1, 1989. Attached hereto as Annex C is an amortization schedule calculated in accordance with the terms of this Agreement.

2. Application, Currency and Place of Payment. All payments of interest and principal made pursuant to the terms of Article II hereunder shall be made in United States dollars and shall be applied first to the payment of interest due and then to the payment of principal. Except as the United States may otherwise specify in writing, all such payments shall be made to the Controller, Agency for International Development, Washington, District of Columbia, United States of America and shall be deemed made when received by the Office of the Controller.

3. Prepayment. Upon payment of all interest then due, Bangladesh may prepay, without penalty, all or any part of the installments of Consolidated Principal in the inverse order of their maturity.

TIAS 8423

4. Renegotiation. Bangladesh agrees to negotiate with the United States, at such time or times as the United States may request, an acceleration of the payment of the Consolidated Principal in the event that there is significant improvement in the internal and external economic and financial position and prospects of Bangladesh.

ARTICLE III

Special Covenants

1. Information and Reports. Bangladesh shall furnish to the United States such information and reports relating to the Visible Project Loans as the United States may reasonably request. The authorized representatives of the United States shall have the right at all reasonable times to inspect the visible projects, the utilization of all goods and services financed under the Visible Project Loans and the books, records, and other documents in the possession of Bangladesh relating to the visible projects.

2. Events of Default; Acceleration. If Bangladesh shall have failed to pay when due any interest or installment of principal required under this Agreement or required under any other loan agreement or guaranty agreement between the United States and Bangladesh, Bangladesh shall be deemed to be in default under this Agreement. Unless the event of default is cured within ninety (90) days after the United States gives notice to Bangladesh of such default, the United States may, at its option, declare the entire amount of the unpaid principal and interest to be due and payable immediately.

ARTICLE IV

Miscellaneous

1. Communication. Any notice, request, document, or other communication given, made or sent by the United States or Bangladesh 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 to such party by hand or by mail, telegram, or radiogram at the following addresses:

To the United States: the United States Ambassador to Bangladesh

To Bangladesh: Secretary, Planning Commission, Ministry of Planning, Government of Bangladesh

2. Representatives. For all purposes relative to this Agreement, the United States will be represented by the individual holding or acting in the office of Ambassador to Bangladesh and Bangladesh will be represented by the individual holding or acting in the office of Secretary, Planning Commission, Ministry of Planning. Such individuals shall have the authority to designate additional representatives by written notice.

3. Promissory Notes. At such time or times as the United States may request, Bangladesh shall issue promissory notes or such other evidence of indebtedness with respect to this Agreement and the Visible Project Loans, in such form, containing such terms and supported by such legal opinions as the United States may reasonably request.

4. Termination on Full Payment. Upon payment in full of the outstanding principal on the visible project loans and of any accrued and unpaid interest thereon, this Agreement and all obligations of Bangladesh under the Visible Project Loans shall terminate.

5. Effective Date. The conditions precedent to the entry into force of this Agreement are:

(a) Notification of the Government of the People's Republic of Bangladesh in writing by the Government of the United States that domestic United States laws and regulations covering debt rescheduling have been complied with; and

(b) The receipt by the United States, in form and substance satisfactory to the United States, of an opinion of the Ministry of Justice of Bangladesh to the effect that this Agreement has been duly authorized or ratified by, and executed on behalf of Bangladesh and that it constitutes a valid and legally binding obligation of Bangladesh in accordance with all of its terms. [¹]

If, after sixty days (60) from the date hereof, or such later date as the parties mutually agree in writing, the above conditions precedent shall not have been fulfilled, this Agreement shall be null and void. The United States shall notify Bangladesh upon its determination that the conditions precedent have been fulfilled.

DONE in duplicate at Washington this 3rd day of March 1976.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA.

Paul H. Boeker [²]

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH:

M. R. Siddiqui [³]

¹ May 11, 1976.

² Paul H. Boeker

³ M. R. Siddiqui

[Footnotes added by the Department of State.]

ANNEX A

Agency for International Development

Visible Project Loans
Debts to be Assumed by Bangladesh

<u>Loan Number</u>	<u>Name of Project</u>	<u>Amount</u>
391-H-043	E.P. Power Distribution	\$ 6,021,923.57
391-H-057	Chalna Anchorage	2,336,799.25
391-H-059	Coastal Embankment	4,171,834.20
391-H-062	General Consultants	4,329,096.18
391-H-068	Public Health Engineering	1,486,661.69
391-H-073	Mechanical Equipment Org.	1,297,493.37
391-H-061	Karnaphuli Third Unit	3,800,000.00
391-H-081A	Karnaphuli Third Unit	1,049,560.41
391-H-082	Siddhirgenj Thermal Plant	8,166,474.05
391-H-089	Pakistan Eastern Railway I	8,184,203.71
391-H-091	E.P. Transmission Lines	2,278,131.34
391-H-092	Dacca-Aricha Road'	10,468,414.68
391-H-094	Chittagang Port	2,413,778.15
391-H-124	E.P. Water and Power Development	1,054,079.26
391-H-136	E.P. Public Health Engineering	939,665.44
391-H-139	E.P. Seed Potato Multiplication and Storage	26,728.08
391-H-143	E.P. Ground Water Survey	136,237.07
391-H-032	Picic-Third Loan	163,000.03
391-H-045	Railways-Fourth	7,998,000.00
391-H-053	Malaria Eradication	1,334,631.00
391-H-054	Airport & Airways Equipment	659,105.85
391-H-058	Feasibility Sectoral Studies	919,219.00
391-H-071	Telecommunication Facilities	3,276,733.77
391-H-084	Malaria Eradication-Second	5,990,576.00
391-H-128	Malaria Eradication-Third	2,566,940.49
391-H-135	Malaria Eradication-Fourth	3,308,713.00
391-H-142	Consulting Services	721,170.78
		\$85,101,236.35 ^

a/ Includes contractor claims approved by GOP prior to July 1, 1974 but not yet disbursed.

ANNEX B

EXPORT-IMPORT BANK OF THE UNITED STATES
VISIBLE PROJECT LOANS
DEBTS TO BE ASSUMED BY BANGLADESH

<u>Exim Credit No.</u>	<u>Name of Project</u>	<u>Amount</u> ¹
2627	IDBP - Relending Credit	5,173.00
2359/1984G	IDBP - Relending Credit	292,245.45
2792	PICIC - Relending Credit	323,118.10
1984B	Dacca - Intercontinental Hotel	<u>1,952,718.65</u> \$2,573,255.20

¹

These amounts represent the outstanding balances on these credits as of June 30, 1974 attributable to Bangladesh.

ANNEX C

 AGENCY FOR INTERNATIONAL DEVELOPMENT
 BANGLADESH
 SCHEDULE OF PAYMENTS

Rate 1.6%

Due Date	Installment Total	Interest	Principal	Interest Capitalized	Remaining Balance
7/01/74	-0-	-0-	-0-	267,416.26	85,101,236.36
1/01/75	-0-	-0-	-0-	682,949.22	86,051,601.34
7/01/75	-0-	-0-	-0-	688,412.81	86,740,014.65
1/01/76	-0-	-0-	-0-	693,920.12	87,433,934.77
7/01/76	-0-	-0-	-0-	699,471.48	88,133,406.25
1/01/77	-0-	-0-	-0-	705,067.25	88,836,473.50
7/01/77	-0-	-0-	-0-	710,707.79	89,549,181.29
1/01/78	-0-	-0-	-0-	716,393.45	90,265,574.74
7/01/78	-0-	-0-	-0-	722,124.60	90,987,699.34
1/01/79	-0-	-0-	-0-	727,901.59	91,715,600.93
7/01/79	-0-	-0-	-0-	733,724.81	92,449,325.71
1/01/80	-0-	-0-	-0-	739,594.61	93,188,920.35
7/01/80	-0-	-0-	-0-	745,511.36	93,934,431.74
0/01/81	-0-	-0-	-0-	751,475.45	94,685,907.16
7/01/81	-0-	-0-	-0-	757,487.26	95,443,391.42
1/01/82	-0-	-0-	-0-	763,547.16	96,200,941.52
7/01/82	-0-	-0-	-0-	769,655.53	96,976,597.31
1/01/83	-0-	-0-	-0-	775,812.78	97,752,409.89
7/01/83	-0-	-0-	-0-	782,019.20	98,534,429.17
1/01/84	-0-	-0-	-0-	788,275.43	99,322,701.40
7/01/84	-0-	-0-	-0-	794,581.64	100,117,286.2
1/01/85	-0-	-0-	-0-	800,938.29	100,918,224.53
7/01/85	-0-	-0-	-0-	807,345.80	101,725,570.33
1/01/86	-0-	-0-	-0-	813,804.56	102,529,374.89
7/01/86	-0-	-0-	-0-	820,315.00	103,359,669.89
1/01/87	-0-	-0-	-0-	826,877.52	104,186,567.11
7/01/87	-0-	-0-	-0-	833,492.54	105,020,059.95
1/01/88	-0-	-0-	-0-	840,160.48	105,860,220.43
7/01/88	-0-	-0-	-0-	846,881.76	106,707,102.12
1/01/89	-0-	-0-	-0-	853,656.82	107,560,759.01
7/01/89	2,576,762.69	860,486.07	1,716,276.62	-0-	105,014,482.30
1/01/90	2,576,762.69	846,755.86	1,730,006.83	-0-	104,114,475.10
7/01/90	2,576,762.69	832,915.80	1,743,846.89	-0-	102,370,628.07
1/01/91	2,576,762.69	818,965.03	1,757,797.66	-0-	100,612,831.01
7/01/91	2,576,762.69	804,902.65	1,771,860.04	-0-	98,846,970.27
1/01/92	2,576,762.69	790,727.77	1,786,034.92	-0-	97,054,936.05
7/01/92	2,576,762.69	776,439.49	1,800,323.20	-0-	95,254,612.85
1/01/93	2,576,762.69	762,036.90	1,814,725.79	-0-	93,439,487.06
7/01/93	2,576,762.69	747,519.10	1,829,243.59	-0-	91,610,643.47
1/01/94	2,576,762.69	732,885.15	1,843,877.54	-0-	89,766,766.93
7/01/94	2,576,762.69	718,154.13	1,858,628.56	-0-	87,908,137.37
1/01/95	2,576,762.69	703,265.10	1,873,497.59	-0-	86,034,639.78
7/01/95	2,576,762.69	688,277.12	1,888,405.57	-0-	84,146,151.21
1/01/96	2,576,762.69	673,169.23	1,903,593.46	-0-	82,242,560.73

7/01/96	2,576,762.69	657,940.49	1,918,822.20	-0-	80,323,738.55
1/01/97	2,576,762.69	642,589.91	1,934,172.78	-0-	78,389,565.77
7/01/97	2,576,762.69	627,116.53	1,949,646.16	-0-	76,439,919.61
1/01/98	2,576,762.69	611,519.36	1,965,243.33	-0-	74,474,676.28
7/01/98	2,576,762.69	595,797.41	1,980,965.28	-0-	72,493,711.00
1/01/99	2,576,762.69	579,949.69	1,996,813.00	-0-	70,496,898.00
7/01/99	2,576,762.69	563,975.18	2,012,787.51	-0-	68,484,110.49
1/01/00	2,576,762.69	547,872.88	2,028,889.81	-0-	66,455,220.68
7/01/00	2,576,762.69	531,641.77	2,045,120.92	-0-	64,410,099.76
1/01/01	2,576,762.69	515,280.80	2,061,481.89	-0-	62,348,617.97
7/01/01	2,576,762.69	498,788.94	2,077,973.75	-0-	60,270,644.12
1/01/02	2,576,762.69	482,165.15	2,094,597.54	-0-	58,176,046.58
7/01/02	2,576,762.69	465,408.37	2,111,354.32	-0-	56,064,692.26
1/01/03	2,576,762.69	448,517.54	2,128,245.15	-0-	53,936,447.11
7/01/03	2,576,762.69	431,491.58	2,145,271.11	-0-	51,791,176.00
1/01/04	2,576,762.69	414,329.41	2,162,433.28	-0-	49,628,742.72
7/01/04	2,576,762.69	397,029.94	2,179,732.75	-0-	47,449,009.97
1/01/05	2,576,762.69	379,592.08	2,197,170.61	-0-	45,251,839.36
7/01/05	2,576,762.69	362,014.71	2,214,747.98	-0-	43,037,091.38
1/01/06	2,576,762.69	344,296.73	2,232,465.96	-0-	40,804,625.42
7/01/06	2,576,762.69	326,437.00	2,250,325.69	-0-	38,554,299.73
1/01/07	2,576,762.69	308,134.40	2,268,328.29	-0-	36,285,971.44
7/01/07	2,576,762.69	290,287.77	2,286,471.92	-0-	33,999,496.52
1/01/08	2,576,762.69	271,995.97	2,304,766.72	-0-	31,694,729.80
7/01/08	2,576,762.69	253,557.84	2,323,204.85	-0-	29,371,524.95
1/01/09	2,576,762.69	234,972.20	2,341,790.49	-0-	27,029,734.40
7/01/09	2,576,762.69	216,237.88	2,360,524.81	-0-	24,669,209.63
1/01/10	2,576,762.69	197,353.68	2,379,409.01	-0-	22,289,800.64
7/01/10	2,576,762.69	178,318.41	2,398,444.28	-0-	19,891,356.36
1/01/11	2,576,762.69	159,130.85	2,417,631.84	-0-	17,473,724.52
7/01/11	2,576,762.69	139,789.80	2,436,972.89	-0-	15,036,751.63
1/01/12	2,576,762.69	120,294.01	2,456,468.68	-0-	12,580,282.95
7/01/12	2,576,762.69	100,642.26	2,476,120.43	-0-	10,104,162.57
1/01/13	2,576,762.69	80,833.30	2,495,929.39	-0-	7,608,233.13
7/01/13	2,576,762.69	60,865.87	2,515,896.82	-0-	5,092,336.31
1/01/14	2,576,762.69	40,738.69	2,536,024.00	-0-	2,556,312.31
7/01/14	2,576,762.69	20,450.50	2,556,312.31	-0-	-0-
TOTAL					23,854,138.30 107,560,759.01

PHILIPPINES

Use of Veterans Memorial Hospital: Grants-in-Aid for Medical Care and Treatment of Veterans and Rehabilitation of the Hospital Plant

Agreement amending the agreement of April 4, 1974.

Effectuated by exchange of notes

Dated at Manila May 12 and 21, 1976;

Entered into force May 21, 1976.

The American Embassy to the Philippine Department of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 279

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to recent discussions between representatives of our two governments regarding a change in the fiscal year of the U.S. Federal Government and the Agreement between the Government of the United States of America and the Government of the Republic of the Philippines, signed on April 4, 1974, [¹] relating to the use of the Veteran's Memorial Hospital and the provision of medical care and treatment and nursing home care of veterans by the Government of the Republic of the Philippines and the furnishing of grants-in-aid by the Government of the United States of America.

In accordance with the above, the Embassy wishes to inform the Department that by United States Public Law 93-344, [²] approved on July 12, 1974, the fiscal year of the United States was changed. Commencing this year the new fiscal year for the United States Government will begin on October 1 and end on September 30 of the following year. The same law further provides that any law providing for an authorization of appropriations ending on June 30 of a year shall, if that year is any after 1976, be considered as meaning September 30 of that year.

¹ TIAS 7814; 25 UST 632.

² 88 Stat. 297; 31 U.S.C. § 1301 note.

In order that the aforesaid Agreement may reflect the changes resulting from Public Law 93-344, the Embassy proposes the following amendments to the above cited Agreement:

(1) Article 1, subparagraph (f) is amended by deleting "June 30" and inserting in lieu thereof "September 30."

(2) Article 1, subparagraph (g) is amended by deleting "July 1" and inserting in lieu thereof "October 1."

(3) Article 1, subparagraph (k) is amended by deleting "June 30" and inserting in lieu thereof "September 30."

(4) Article 1, subparagraph (l) is amended by deleting "June 30" and inserting in lieu thereof "September 30."

(5) Article 16 is amended by deleting "June 30" and inserting in lieu thereof "September 30."

The Embassy wishes to further inform the Department that the transition quarter commencing July 1, 1976 through September 30, 1976 shall be subject to availability of appropriations.

Upon receipt of the Department's Note indicating that the foregoing provisions are acceptable to the Government of the Republic of the Philippines, the Government of the United States of America will consider that this Note and your reply thereto constitute an amendment to the Agreement between the two governments on the above subject, such amendment to take effect on the date of your reply Note.

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

W H S

EMBASSY OF THE UNITED STATES OF AMERICA
MANILA, May 12, 1976

The Philippine Department of Foreign Affairs to the American Embassy

REPUBLIKA NG PILIPINAS
KAGAWARAN NG SULIRANING PANLABAS
MAYNILA [¹]

No. 76-1268

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to acknowledge the receipt of the Embassy's Note No. 279 dated 12 May 1976 regarding a change in the fiscal year of the U.S. Federal Government and the Agreement between the Government of the United States of America and the Government of the Republic of

¹ In translation reads: "Republic of Philippines
Department of Foreign Affairs
Manila"

the Philippines, signed on 4 April, 1974, relating to the use of the Veteran's Memorial Hospital and the provision of medical care and treatment and nursing home care of veterans by the Government of the Republic of the Philippines and the furnishing of grants-in-aid by the Government of the United States of America.

The Department wishes to inform the Embassy that the Philippine Government accepts the proposed amendments to the aforementioned Agreement as follows:

- (1) Article 1, subparagraph (f) is amended by deleting "June 30" and inserting in lieu thereof "September 30".
- (2) Article 1, subparagraph (g) is amended by deleting "July 1" and inserting in lieu thereof "October 1."
- (3) Article 1, subparagraph (k) is amended by deleting "June 30" and inserting in lieu thereof "September 30."
- (4) Article 1, subparagraph (l) is amended by deleting "June 30" and inserting in lieu thereof "September 30."
- (5) Article 16 is amended by deleting "June 30" and inserting in lieu thereof "September 30."

Accordingly, the Embassy's note and this reply shall constitute an amendment to the aforementioned Agreement between the two governments, to take effect on 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.



MANILA, 21 May 1976

PHILIPPINES

United States Naval Medical Research Unit

*Agreement effected by exchange of notes
Dated at Manila May 12 and 21, 1976;
Entered into force May 21, 1976.*

The American Embassy to the Philippine Department of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 278

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to the past projects of joint medical research conducted in the Republic of the Philippines by United States Naval Medical Research Unit—Two (NAMRU-2) in conjunction with the Philippine Department of Health and the recent discussions between the appropriate authorities of the two Governments concerning the continuation of such medical and scientific research projects. In order to encourage the continuation of projects of this nature and to clarify the research arrangements, the Embassy has the honor to propose the following:

For the purposes of this agreement, the Department of Health shall be the responsible agency for the Government of the Philippines, and Naval Medical Research Unit—Two (NAMRU-2) shall be the responsible agency for the United States Government. Direct liaison between the Department of Health and NAMRU-2 is authorized unless otherwise directed by either Government.

NAMRU-2 may participate in the conduct of such joint medical research projects and studies in the field of diseases endemic and epidemic in the Philippines as are mutually agreed upon by NAMRU-2 and the Department of Health. In addition, other collaborative scientific and medical studies may be conducted as agreed upon between NAMRU-2 and the Department of Health.

Each medical and scientific research project will be agreed upon by the responsible agencies of the two Governments prior to commencement of research.

The Department of Health shall make available, maintain and repair without cost to the Government of the United States, on a temporary basis, appropriate laboratory space and office facilities necessary to accomplish the purposes of this agreement. NAMRU-2 will supply necessary equipment and supplies for the operation of the laboratory and office and may temporarily employ such local personnel as it deems necessary for the purposes of this agreement. The Department of Health shall assist NAMRU-2 in recruiting appropriate local personnel.

United States civilian and military personnel assigned or attached to NAMRU-2, and their dependents, will be permitted to enter the Republic of the Philippines for limited periods of time for the purpose of carrying on agreed medical and scientific research projects. Upon entry such individuals will have in their possession appropriate identification and necessary travel documents in compliance with Philippine immigration laws and regulations.

All United States civilian and military personnel, entering the Republic of the Philippines for purposes of medical or scientific research projects conducted pursuant to this agreement, and their dependents, shall be accorded by the Government of the Philippines privileges and immunities on the same basis as the administrative and technical staff of the United States Embassy and their dependents in the Republic of the Philippines with the exception that tax and duty exemptions will be limited to their professional instruments and implements, tools of employment, wearing apparel and personal and household effects accompanying them or arriving within a reasonable period of time after their entry into the Philippines. In order to identify the above individuals temporarily in the Republic of the Philippines and participating in or rendering consultive services in the research activities, and their dependents, the United States Embassy will properly notify the Department of Foreign Affairs prior to their arrival, specifying their names, positions, intended length of stay in the Republic of the Philippines and purposes of the research project.

The Government of the Philippines shall permit the import or export, without tax, duty or other charge, of biological and other types of specimens as agreed to by the Department of Health. In addition, laboratory equipment and other supplies brought into the Republic of the Philippines for the purpose of agreed medical or scientific research projects will be exempt from duty, taxes and other charges in relation to their import, presence and use in the Philippines, and export. A list of such equipment and supplies will be provided the Department of Health upon their importation and all equipment and supplies, except expendable items, will be accounted for upon their exportation. The Department of Health shall in turn certify as to the

equipment and supplies needed in the research program brought in under this agreement.

Except in areas where travel might be prohibited for reasons of security or personal safety, NAMRU-2 personnel and vehicles shall be permitted to travel without restriction throughout the Philippines for the purpose of gathering research data and observing various medical and scientific phenomena under field conditions. To facilitate epidemiological and other studies requiring continual work at field locations, small field laboratories may be established outside the Manila area upon concurrence of the Department of Health. All costs relating to the establishment and operation of such field laboratories will be the responsibility of NAMRU-2.

Mutually agreeable programs of research and training compatible with the resources and authority of NAMRU-2 will be encouraged and cooperative programs and studies may be conducted, in consultation with the Department of Health, with schools of medicine, private hospitals and other civil and military health authorities of the Government of the Philippines.

NAMRU-2 shall furnish the appropriate departments of the Government of the Philippines with periodic progress reports and results of all research conducted in the Republic of the Philippines. All research studies conducted in the Republic of the Philippines will be reviewed and clearances obtained from the appropriate agencies of the Government of the Philippines and NAMRU-2 prior to publication.

This Agreement may be terminated by either party at any time provided that at least three months prior notice of intention to terminate has been given.

If the foregoing is acceptable to the Government of the Philippines, the Embassy has the honor to propose that this Note and the Department's reply to that effect shall together constitute an Agreement between the Government of the Philippines and the Government of the United States of America effective on the date of the Department's Note in reply.

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

W H S

EMBASSY OF THE UNITED STATES OF AMERICA
MANILA, May 12, 1976

The Philippine Department of Foreign Affairs to the American Embassy

REPUBLIKA NG PILIPINAS
KAGAWARAN NG SULIRANING PANLABAS
MAYNILA [1]

No. 76-1230

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to acknowledge the receipt of the Embassy's Note No. 278 dated 12 May 1976, concerning the continuation of the medical research projects being conducted in the Philippines by the United States Naval Medical Research Unit—Two (NAMRU-2) in conjunction with the Philippine Department of Health.

The Department wishes to inform the Embassy that the Philippine Government welcomes the continuation of the medical research projects and accepts the proposals of the United States as contained in the aforementioned note. Accordingly, the Embassy's note and this reply shall constitute an agreement between the two governments, effective on 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.

J I P

MANILA, 21 May 1976

¹ In translation reads: "Republic of Philippines
Department of Foreign Affairs
Manila"

CHILE

Nutrition Development

*Agreement signed at Santiago October 23, 1975;
Entered into force October 23, 1975.*

(4039)

TIAS 8426

A.I.D. Loan No. 513-T-066

LOAN AGREEMENT

between

THE REPUBLIC OF CHILE

and the

UNITED STATES OF AMERICA

for

NUTRITION DEVELOPMENT

Dated: October 23, 1975

LOAN AGREEMENT dated October 23, 1975, between the Republic of Chile ("Borrower") and the United States of America, acting through the Agency for International Development ("A. I. D.")

ARTICLE I

The Loan

SECTION 1.01 The Loan. A. I. D. agrees to lend to the Borrower in furtherance of the Alliance for Progress and pursuant [1] to the Foreign Assistance Act of 1961, as amended, an amount not to exceed five million United States Dollars (\$5,000,000) ("Loan") to assist the Borrower in carrying out the Project referred to in Section 1.02 ("Project"). The Loan shall be used exclusively to finance United States dollar costs of goods and services required for the Project ("Dollar Costs") and local currency costs of goods and services required for the Project ("Local Currency Costs"). Except as A. I. D. may otherwise agree in writing, the amount of the Loan used to finance the Local Currency Costs shall not exceed the lesser of the equivalent of three million five hundred thousand United States Dollars (\$3,500,000) or seventy percent (70%) of the cost of the Project. The aggregate amount of disbursements under the Loan is hereinafter referred to as "Principal".

¹75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 1.02. The Project. The Project is designed to enable the National Council for Food and Nutrition ("CONPAN"), an inter-sectorial body dependent upon the Ministry of Health, to create an effective nutrition planning process on the national level. The process will allow CONPAN to evaluate, experiment with, and suggest policy changes for the existing national feeding programs; analyze, select, and implement studies and pilot projects to determine which policies and nutrition interventions are most cost-effective with reference to supply and demand of food and to the nutritional value thereof and should be adopted on a regional or national level; and generate new proposals for such studies and pilot projects. The process will support the goal of reducing malnourishment in Chile by one-half in ten years within the target group, defined in order of priority as infants from birth to two years old, pregnant women, lactating women, children from two to five years old, and children from six to fifteen years old, all members of families in the lowest one-third income group.

The Project will fund three distinct, but integrated elements:

(a) technical assistance, combining long-term and short-term advisors, furnished for the most part under a comprehensive consulting contract, to enable CONPAN to establish an effective nutrition planning process;

(b) consulting and other professional services of primarily local public and private entities to collect and analyze data, including crop specific studies and baseline data for measuring the effectiveness of programs; and

(c) the services of such entities to carry out pilot projects involving a range of activities so as to identify and field test the most cost-effective and innovative means of intervening in the nutritional system.

The Project is more fully described in Annex I, attached hereto, which Annex may be modified in writing by mutual agreement of the Borrower and A.I.D.

..
SECTION 1 03. Use of Funds Generated by other United States Assistance. The Borrower shall use for the Project, in lieu of any United States dollars that would otherwise be disbursed under the Loan to finance the Local Currency Costs of the Project, any currencies other than United States dollars that may become available to the Borrower after the date of this Agreement in

connection with assistance (other than the Loan) provided by the United States of America to the Borrower to the extent and for the purposes that A. I. D. and the Borrower may agree in writing. Any such funds used for the Project shall reduce the amount of the Loan (to the extent that it shall not then have been disbursed) by an equivalent amount of United States dollars computed, as of the date of the agreement between A. I. D. and the Borrower as to the use of such funds, at the rate of exchange defined in Section 7.02 as in effect on such date.

ARTICLE II

Loan Terms

SECTION 2.01. Interest. The Borrower shall pay to A. I. D. interest which shall accrue at the rate of two percent (2%) per 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 shall accrue from the date of each respective disbursement (as such date is defined in Section 7.04), and shall be computed on the basis of a 365-day year. Interest shall be payable semiannually.

The first payment of interest shall 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 2.02. Repayment. The Borrower shall repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement hereunder in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal shall 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 2.01 hereof. A.I.D. shall provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 2.03. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder shall be made in United States dollars and shall 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, all such payments shall be made to the Agency for International Development, Washington, D.C. 20523, U.S.A., Attention: Cashier, SER-FM, and shall be deemed made when received by the Office of the Cashier.

SECTION 2.04. Prepayment. Upon payment of all interest, Principal and refunds then due, the Borrower may prepay, without any other charges, all or any part of the Principal. Any such prepayment shall be applied to the installments of Principal in the inverse order of their maturity

SECTION 2.05. Renegotiation of the Terms of the Loan. In the light of the undertakings of the United States of America, and [1] the other signatories of the Act of Bogotá and the Charter of Punta [2] del Este to forge an Alliance for Progress, the Borrower agrees to negotiate with A.I.D., at such time or times as A.I.D. may request, an acceleration of the repayment of the Loan in the event that there is any significant improvement in the internal and external economic and financial position and prospects of Chile, taking into consideration the relative capital requirements of Chile, and of the other signatories of the Act of Bogotá and the Charter of Punta del Este.

¹Department of State Bulletin, Oct. 3, 1960, p. 537.

²Department of State Bulletin, Sept. 11, 1961, p. 462

ARTICLE III

Conditions Precedent to DisbursementSECTION 3.01. Conditions Precedent to Initial Disbursement.

Prior to the first disbursement or to the issuance of the first Letter of Commitment under the Loan, the Borrower shall furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of the Minister of Justice of Chile or other 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 names of the persons holding or acting in the office of the Borrower specified in Section 9.02, and a specimen signature of each person specified in such statement appropriately certified as to their authenticity;

(c) A statement of the contracting procedures to be followed by CONPAN in soliciting and obtaining Project goods and services, including standard contract forms;

(d) A plan detailing how CONPAN will monitor and report the various activities financed as part of the Project;

(e) A plan for annual evaluations of CONPAN by Borrower and A.I.D., and

(f) A detailed implementation plan for the first twelve (12) months of the Project.

SECTION 3.02. Conditions Precedent to Disbursement for Pilot Projects. Unless A.I.D. shall otherwise agree in writing, prior to any disbursement or issuance of any commitment documents under the Loan for any individual pilot project, the Borrower shall submit to A.I.D. in form and substance satisfactory to A.I.D. a detailed description of said pilot project including, inter alia, a justification, budget, and implementation plan.

SECTION 3.03. Terminal Dates for Meeting Conditions Precedent to Disbursement.

(a) If all of the conditions specified in Section 3.01 shall not have been met within 120 days from the date of this Agreement, or by such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by giving written notice to the Borrower. Upon the giving of such notice this Agreement and all obligations of the parties hereunder shall terminate.

(b) No disbursement or issuance of any commitment documents under the Loan for any individual pilot project shall be made unless the conditions specified in Section 3.02 have been met with respect to that pilot project no later than 45 days before the Terminal Commitment date specified in Section 7 05.

SECTION 3.04. Notification of Meeting of Conditions

Precedent to Disbursement. A.I.D. shall notify the Borrower upon determination by A.I.D. that the conditions precedent to disbursement specified in Section 3.01 and, as the case may be, 3.02 have been met.

ARTICLE IV

General Covenants and WarrantiesSECTION 4.01. Execution of the Project.

(a) The Borrower shall carry out the Project with due diligence and efficiency, and in conformity with sound technical, engineering, construction, financial, and administrative practices.

(b) The Borrower shall cause the Project to be carried out in conformity with all of the plans, specifications, procedures, contracts, schedules and other arrangements, and with all material modifications therein, approved by A.I.D. pursuant to this Agreement.

SECTION 4.02. Funds and Other Resources to be Provided by Borrower. The Borrower shall provide promptly as needed all funds, in addition to the Loan, and all other resources required for the punctual and effective carrying out of the Project, including but not limited to the contribution stated in Section 5.01 hereof.

SECTION 4.03. 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 progress of the Project, the performance by the parties of their obligations under

this Agreement, the performance of the consultants, contractors, and suppliers engaged on the Project, and other matters relating to the Project.

SECTION 4.04. Management. The Borrower shall cause to be provided qualified and experienced management for the Project.

SECTION 4.05. Taxation. This Agreement, the Loan, and any evidence of indebtedness issued in connection herewith shall be free from, and the Principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within the Republic of Chile. To the extent that (a) any contractor, including any consulting firm, financed hereunder, any personnel of such contractor, and any property or transactions relating to such contracts and (b) any commodity procurement transaction financed hereunder, are not exempt from identifiable, taxes, tariffs, duties, and other levies imposed under laws in effect in Chile, the Borrower shall, as and to the extent prescribed in and pursuant to Implementation Letters, pay or reimburse the same under Section 4.02 of this Agreement with funds other than those provided under the Loan.

SECTION 4.06. Utilization of Goods and Services.

(a) Goods and services financed under the Loan shall be

used exclusively for the Project, except as Borrower and A.I.D. may otherwise agree in writing.

(b) Except as A.I.D. may otherwise agree in writing, no goods or services financed under the Loan shall be used to promote or assist any foreign aid project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION 4.07 Disclosure of Material Facts and Circumstances. The Borrower represents and warrants that all facts and circumstances that it has disclosed or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete, and that it has disclosed to A.I.D., accurately and completely, all facts and circumstances that might materially affect the Project and the discharge of its obligations under this Agreement. The Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise that might materially affect, or that it is reasonable to believe might materially affect, the Project or the discharge of the Borrower's obligations under this Agreement.

SECTION 4.08. Commissions, Fees and Other Payments.

(a) Borrower warrants and covenants that in connection

with obtaining the Loan, or taking any action under or with respect to this Agreement, it has not paid, and will not pay or agree to pay, nor to the best of its knowledge has there been paid nor will there be paid or agreed to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to the Borrower's full-time officers and employees or as compensation for bona fide professional, technical, or comparable services. The Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical, or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by A.I.D., the same shall be adjusted in a manner satisfactory to A.I.D.

(b) The Borrower warrants and covenants that no payments have been or will be received by the Borrower, or any official of the Borrower, in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payments legally established in the Republic of Chile.

SECTION 4.09. Maintenance and Audit of Records. The Borrower shall maintain, or cause to be maintained, in accordance

with sound accounting principles and practices consistently applied, books and records relating both to the Project and to this Agreement.

Such books and records shall, without limitation, be adequate to show:

- (a) the receipt and use made of goods and services acquired with funds disbursed pursuant to this Agreement;
- (b) the nature and extent of solicitation of prospective suppliers of goods and services acquired;
- (c) the basis of the award of contracts and orders to successful bidders; and
- (d) the progress of the Project.

Such books and records shall be regularly audited, in accordance with sound auditing standards, for such period and at such intervals as A.I.D. may require, and shall be maintained for five years after the date of the last disbursement by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur.

SECTION 4.10. Reports. The Borrower shall furnish to A.I.D. such information and reports relating to the Loan and to the Project as A.I.D. may request.

SECTION 4.11. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect the Project, the utilization of all goods and services financed under the Loan, and the Borrower's books, records, and other documents relating to the Project and the Loan. The Borrower shall cooperate with A.I.D. to facilitate such inspections and shall permit representatives of A.I.D. to visit any part of Chile for any purpose relating to the Loan.

TIAS 8426

ARTICLE V

Special Covenants and Warranties

SECTION 5.01. Borrower's Contribution. Borrower warrants to provide or cause to be provided as contribution to the Project the equivalent of at least four million United States dollars (US\$4,000,000).

SECTION 5.02. Annual Implementation Plan. Borrower covenants that twelve months after the first disbursement hereunder and every twelve months thereafter, it shall submit in form and substance satisfactory to A.I.D., a detailed implementation plan for the ensuing twelve months of the Project.

SECTION 5.03. Funding Government of Chile Employees. Borrower agrees that salaries of Government of Chile employees shall not be funded as part of the Project except to the extent that such salaries may be paid for work performed by employees while especially detailed from their normal duties to a specific activity conducted or contracted by CONPAN as part of the Project.

SECTION 5.04. Focus of Objectives. Unless A.I.D. shall agree otherwise in writing, Borrower agrees to implement the Project consistent with its policy objectives of redistributing resources to children from birth to 15 years old, pregnant women and lactating women, all in the lower one-third income group.

ARTICLE VI

ProcurementSECTION 6.01. Procurement from Selected Free World

Countries. Except as A.I.D. may otherwise agree in writing, and except as provided in subsection 6.08(c) with respect to marine insurance, disbursements made pursuant to Section 7 01 shall be used exclusively to finance the procurement for the Project of goods and services 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 are entered into for such goods and services. Goods and services procured pursuant to this Section shall be referred to as "Selected Free World Goods" and "Selected Free World Services" respectively. All ocean shipping financed under the Loan shall have both its source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of shipment. Notwithstanding any other provisions herein, motor vehicles to be procured with Loan funds must be manufactured in the United States.

SECTION 6.02. Procurement from Chile. Disbursements made pursuant to Section 7 02 shall be used exclusively to finance the procurement for the Project of goods and services having both their source and origin in Chile.

SECTION 6.03. Eligibility of Date. Except as A.I.D. may otherwise agree in writing, no goods or services may be financed under the Loan which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement.

SECTION 6.04. Goods and Services not Financed Under Loan.

Goods and services procured for the Project, but not financed under the Loan, shall have their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time orders are placed for such goods and services.

SECTION 6.05. Implementation of Procurement Requirements.

The definitions applicable to the eligibility requirements of Sections 6.01, 6.02, and 6.04 will be set forth in detail in Implementation Letters.

SECTION 6.06. Plans, Specifications, and Contracts.

(a) Except as A.I.D. may otherwise agree in writing, the Borrower shall furnish to A.I.D. promptly upon preparation all plans, specifications, construction schedules, bid documents, and contracts relating to Pilot Projects, and any modifications therein, whether or not the goods and services to which they relate are financed under the Loan.

(b) Except as A.I.D. may otherwise agree in writing, all of the plans, specifications, and construction schedules furnished pursuant to subsection (a) above shall be approved by A.I.D. in writing.

(c) All bid documents and documents related to the solicitation of proposals relating to goods and services financed under the Loan shall be approved by A.I.D. in writing prior to their issuance. All plans, specifications, and other documents relating to goods and services financed under the Loan shall be in terms of United States standards and measurements, except as A.I.D. may otherwise agree in writing.

(d) The following contracts financed under the Loan shall be approved by A.I.D. in writing prior to their execution:

- (i) contracts for engineering and other professional services,
- (ii) contracts for construction services,
- (iii) contracts for such other services as A.I.D. may specify, and
- (iv) contracts for such equipment and materials as A.I.D. may specify.

In the case of any of the above contracts for services, A.I.D. shall also approve in writing the contractor and such contractor personnel as A.I.D. may specify. Material modifications in any of such contracts and changes in any of such personnel shall also be approved by A.I.D. in writing prior to their becoming effective.

(c) Consulting firms used by the Borrower for the Project but not financed under the Loan, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Borrower for the Project but not financed under the Loan shall be acceptable to A.I.D.

(f) A.I.D. reserves the right to approve all personnel employed by contract or otherwise to render technical assistance under the Project.

SECTION 6.07 Reasonable Price. No more than reasonable prices shall be paid for any goods or services financed, in whole or in part, under the Loan, as more fully described in Implementation Letters.^[1] Such items shall be procured on a fair and, except for professional services, on a competitive basis in accordance with procedures therefor prescribed in Implementation Letters.

¹ Not printed.

SECTION 6.08. Shipping and Insurance.

(a) Selected Free World Goods financed under the Loan

shall be transported to the Republic of Chile only on flag carriers of a country included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of shipment. No such goods may be transported on any ocean vessel (or aircraft) (i) which A.I.D., in a notice to the Borrower, has designated as ineligible to carry A.I.D.-financed goods or (ii) which has been chartered for the carriage of A.I.D.-financed goods unless such charter has been approved by A.I.D.

(b) Unless A.I.D. shall determine that privately-owned United States-flag commercial vessels are not available at fair and reasonable rate for such vessels, (i) at least fifty percent (50%) of the gross tonnage of all goods, computed separately for dry bulk carriers, dry cargo liners, and tankers, financed under the Loan which may be transported on ocean vessels shall be transported on privately-owned United States-flag commercial vessels, and (ii) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed under the Loan and transported to the Republic of Chile 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 (i)

and (ii) above must be achieved with respect to both cargo transported from U.S. ports and cargo transported from non-U.S. ports, computed separately.

(c) Marine insurance on Selected Free World Goods may be financed under the Loan with disbursements made pursuant to Section 701, provided (i) such insurance is placed at the lowest available competitive rate in the Republic of Chile or in a country included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of placement, and (ii) claims thereunder are payable in the currency in which such goods were financed or in any freely convertible currency. If the Government of Chile, by statute, decree, rule, regulation, or practice discriminates with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in any State of the United States, then all goods shipped to Chile financed under the Loan shall be insured against marine risks and such insurance shall be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(d) The Borrower shall insure, or cause to be insured all Selected Free World Goods financed under the Loan against

risks incident to their transit to the point of their use in the Project. Such insurance shall be issued upon terms and conditions consistent with sound commercial practice and shall insure the full value of the goods. Any indemnification received by the Borrower under such insurance shall be used to replace or repair any material damage or any loss of the goods insured or shall be used to reimburse the Borrower for the replacement or repair of such goods. Any such replacements shall have 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 are entered into for such replacements, and shall be otherwise subject to the provisions of this Agreement.

SECTION 6.09. Notification to Potential Suppliers. In order that all United States firms shall have the opportunity to participate in furnishing goods and services to be financed under the Loan, the Borrower shall furnish to A.I.D. such information with regard thereto, and at such time, as A.I.D. may request in Implementation Letters.

SECTION 6.10. Information and Marking. Borrower shall give publicity to the Loan and the Project as a program of United States aid in furtherance of the Alliance for Progress, identify the sites of pilot projects, and mark goods financed under the Loan, as prescribed in Implementation Letters.

ARTICLE VII

DisbursementsSECTION 7 01. Disbursement for United States Dollar Costs

- Letters of Commitment to United States Banks. Upon satisfaction of conditions precedent, the Borrower may, from time to time, request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States 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, through the use of Letters of Credit or otherwise, for Dollar Costs of goods and services procured for the Project in accordance with the terms and conditions of this Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. United States banking charges incurred in connection with Letters of Credit shall be for the account of the Borrower and may be financed under the Loan.

SECTION 7 02. Disbursement for Local Currency Costs.

Upon satisfaction of conditions precedent, the Borrower may, from time to time, request disbursement by A.I.D. of local currency for Local Currency Costs of goods and services procured for the

Project in accordance with the terms and conditions of this Agreement by submitting to A. I. D. such supporting documentation as A.I.D. may prescribe in Implementation Letters. A.I.D. shall make such disbursements from local currency of the Republic of Chile owned by the U.S. Government and obtained by A.I.D. with United States dollars. The United States dollar equivalent of the local currency made available hereunder will be the amount of United States dollars required by A.I.D. to obtain the currency of Chile.

SECTION 7 03. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Borrower and A.I.D. may agree to in writing.

SECTION 7 04. Date of Disbursement. Disbursements by A.I.D. shall be deemed to occur, (a) in the case of disbursements pursuant to Section 7.01, on the date on which A.I.D. makes a disbursement to the Borrower, to its designee, or to a banking institution pursuant to a Letter of Commitment, and (b) in the case of disbursements pursuant to Section 7.02, on the date on which A.I.D. disburses the local currency to the Borrower or its designee.

SECTION 7 05. Terminal Date for Disbursement. Except

as A.I.D. may otherwise agree in writing, no Letter of Commitment or other commitment documents which may be called for by another form of disbursement under Section 7 03, or amendment thereto shall be issued in response to requests received by A.I.D. after forty (40) months from the date of this Agreement, and no disbursement shall be made against documentation received by A.I.D. or any bank described in Section 7 01 later than forty-eight (48) months from the date of this Agreement. A.I.D., at its option, may at any time or times after forty-eight (48) months from the date of this Agreement, reduce the Loan by all or any part thereof for which documentation was not received by such date.

ARTICLE VIII

Cancellation and SuspensionSECTION 8.01. Cancellation by the Borrower. The Borrower

may, with the prior written consent of A.I.D., by written notice to A.I.D., cancel any part of the Loan (i) which, prior to the giving of such notice, A.I.D. has not disbursed or committed itself to disburse, or (ii) which has not then been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit.

SECTION 8.02. Events of Default; Acceleration. If any one or more of the following events ("Events of Default") shall occur:

- (a) The Borrower shall have failed to pay when due any interest or installment of Principal required under this Agreement;
- (b) The Borrower shall have failed to comply with any other provision of this Agreement, including, but without limitation, the obligation to carry out the Project with due diligence and efficiency;
- (c) The Borrower shall have failed to pay when due any interest or any installment of Principal or any other payment required under any other loan

agreement, any guaranty agreement, or any other
agreement between the Borrower or any of its
agencies and A.I.D., or any of its predecessor
agencies;

then A.I.D. may, at its option, give to the Borrower notice that
all or any part of the unrepaid Principal shall be due and payable
sixty (60) days thereafter, and, unless the Event of Default is
cured within such sixty (60) days:

- (i) such unrepaid Principal and any accrued
interest hereunder shall be due and
payable immediately; and
- (ii) the amount of any further disbursements
made under then outstanding irrevocable
Letters of Credit or otherwise shall
become due and payable as soon as made.

SECTION 8.03. Suspension of Disbursement. In the event
that at any time:

- (a) An Event of Default has occurred;
- (b) An event occurs that A.I.D. determines to be an
extraordinary situation that makes it improbable either that the
purpose of the Loan will be attained or that the Borrower will be

able to perform its obligations under this Agreement;

(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 or any installment of Principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between the Borrower or any of its agencies and the Government of the United States or any of its agencies;

then A.I.D. may, at its option:

- (i) suspend or cancel outstanding commitment documents to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit, in which event A.I.D. shall give notice to the Borrower promptly thereafter;
- (ii) decline to make disbursement other than under outstanding commitment documents;

- (iii) decline to issue additional commitment documents;
- (iv) at A.I.D.'s expense, direct that title to goods financed under the Loan shall be transferred to A.I.D. if the goods are from a source outside Chile, are in a deliverable state and have not been offloaded in ports of entry of Chile. Any disbursement made or to be made under the Loan with respect to such transferred goods shall be deducted from Principal.

SECTION 8.04. Cancellation by A.I.D. Following any suspension of disbursements pursuant to Section 8.03, if the cause or causes for such suspension of disbursements shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, A.I.D. may, at its option, at any time or times thereafter, cancel all or any part of the Loan that is not then either disbursed or subject to irrevocable Letters of Credit.

SECTION 8.05. Continued Effectiveness of Agreement.
Notwithstanding any cancellation, suspension of disbursement,

or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect until the payment in full of all Principal and any accrued interest hereunder has been made.

SECTION 8.06. Refunds.

(a) In the case of any disbursement not supported by valid documentation in accordance with the terms of this Agreement, or of any disbursement not made or used in accordance with the terms of this Agreement, A.I.D., notwithstanding the availability or exercise of any of the other remedies provided for under this Agreement, may require the Borrower to refund such amount in United States dollars to A.I.D. within thirty (30) days after receipt of a request therefor. Such amount shall be made available first for the cost of goods and services procured for the Project hereunder, to the extent justified; the remainder, if any, shall be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder. Notwithstanding any other provision in this Agreement, A.I.D.'s right to require a refund with respect to any disbursement under the Loan shall continue for five years following the date of such disbursement.

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(b) In the event that A.I.D. receives a refund from any contractor, supplier, or banking institution, or from any other third party connected with the Loan, with respect to goods or services financed under the Loan, and such refund relates to an unreasonable price for goods or services, or to goods that did not conform to specifications, or to services that were inadequate, A.I.D. shall first make such refund available for the cost of goods and services procured for the Project hereunder, to the extent justified, the remainder to be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder.

SECTION 8.07 Expenses of Collection. All reasonable costs incurred by A.I.D., other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due A.I.D. by reason of the occurrence of any of the events specified in Section 8.02 may be charged to the Borrower and reimbursed to A.I.D. in such manner as A.I.D. may specify.

SECTION 8.08. Nonwaiver of Remedies. No delay in exercising or omission to exercise any right, power, or remedy accruing to A.I.D. under this Agreement shall be construed as a waiver of any of such rights, powers, or remedies.

ARTICLE IX

Miscellaneous

SECTION 9.01. Communications. Any notice, request, document, or other communication given, made, or sent by the Borrower or A.I.D. pursuant to this Agreement shall be in writing or by telegram, cable, or radiogram 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 to such party by hand or by mail, telegrams, cable, or radiogram at the following addresses:

TO BORROWER:

Mail Address: Consejo Nacional para la
Alimentación y Nutrición
Ahumada 236, 7º piso
Santiago, Chile

Cable Address: CONPAN
Ahumada 236
Santiago, Chile

TO A.I.D.:

Mail Address: United States A.I.D. Mission
to Chile
Casilla 13120
Santiago, Chile

Cable Address: USAID, AmEmbassy
Santiago, Chile

Other addresses may be substituted for the above upon the giving of notice. All notices, requests, communications, and documents submitted to A.I.D. hereunder may be in Spanish and shall refer to "Loan 513-T-066", except as A.I.D. may otherwise agree in writing.

SECTION 9.02. Representatives. For all purposes relative to this Agreement, the Borrower will be represented by the individual holding or acting in the office of the Executive Coordinator of the National Council for Food and Nutrition 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 Chile. Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and specimen signature in form and substance satisfactory to A.I.D. Until receipt by A.I.D. of written notice of revocation of the authority of any of the duly authorized representatives of the Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

SECTION 9.03. Implementation Letters. A.I.D. shall from time to time issue Implementation Letters that will prescribe the procedures applicable hereunder in connection with the implementation of this Agreement.

SECTION 9.04. Promissory Notes. At such time or times as A.I.D. may request, the Borrower shall issue promissory notes or such other evidences of indebtedness with respect to the Loan, in such form, containing such terms and supported by such legal opinions as A.I.D. may reasonably request.

SECTION 9.05. Termination Upon Full Payment. Upon payment in full to A.I.D. of the Principal and of any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under this Loan Agreement shall terminate.

IN WITNESS WHEREOF, Borrower and the United States of America, each acting through its respective 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 REPUBLIC OF CHILE

UNITED STATES OF AMERICA

By: JM

Jorge Cauas Lama
Minister of Finance

By: FHL

Francisco Herrera Latoja
Minister of Public Health

By: FMB

Fernando Monckeberg Barros
Executive Coordinator of the
National Council for Food and
Nutrition

By: DH Popper

David H. Popper
U.S. Ambassador to Chile

By: SHV

Stuart H. Van Dyke
Director USAID

ANNEX I

PROJECT DESCRIPTION

The Project will enable the National Council for Food and Nutrition ("CONPAN"), an inter-sectorial body dependent upon the Ministry of Health, to create an effective nutrition planning process on the national level. The process will allow CONPAN to evaluate, experiment with, and suggest policy changes for the existing national feeding programs; analyze, select, and implement studies and pilot projects to determine which policies and nutrition interventions are most cost-effective and should be adopted on a regional or national level; and generate new proposals for such studies and pilot projects. The process will support the goal of reducing malnourishment in Chile by one-half in ten years within the target group, defined in order of priority as infants from birth to two years old, pregnant women, lactating women, children from two to five years old and children from six to fifteen years old, all members of families in the lowest one-third income group.

Loan funds will support three distinct, but integrated, elements:

- (a) technical assistance, to enable CONPAN to establish an effective nutrition planning process, as defined above;

!
!

(b) consulting and other professional services of primarily local public and private entities to collect and analyze data, including crop specific studies and baseline data for measuring the effectiveness of programs;

(c) and the services of those entities referred to in paragraph (b) to carry out pilot projects, so as to identify and field test the most cost-effective and innovative means of intervening in the nutritional system.

A. Technical Assistance

The technical assistance will be composed of both long-term and short-term advisors. The long-term, full-time advisors will assist CONPAN in the broad aspects of designing an information system, designing a system for data processing and analysis, selecting and designing alternative nutrition intervention projects, and designing controls over pilot project implementation, and will be present during the life of the project, declining in numbers from three individuals the first year to one during the fourth. The short-term advisors will be specialists in specific fields, brought in to provide specific advice on specific pilot projects, programs, and policies being planned by CONPAN. All of the

long-term advisors and most of the short-term advisors will be furnished through a single, comprehensive consulting contract.

The other short-term specialists will be hired by CONPAN either directly or through arrangements with qualified firms or universities.

B. Consulting and Professional Services.

The consulting and other professional service activities will be undertaken by contracting with local firms, individual specialists, universities, research institutes, and other public and private entities to carry out particular problem solving, investigative or analytic tasks. The contractual arrangements will call for specific performance against well defined scopes of work prepared by CONPAN.

C. Pilot Projects

Pilot projects will involve a range of activities including field trials, controlled and limited interventions, and practical research if within the scope of the Project.

The total costs of the Project are estimated to be the equivalent of US\$9,000,000. Of this amount, CONPAN will provide no less than the equivalent of US\$4,000,000. It is estimated that approximately US\$450,000 of this will cover operating costs and

the remainder will cover costs of consulting and professional services (estimated at US\$1,525,000) and pilot projects (estimated at US\$2,025,000). The breakdown of the use of the Loan is estimated as follows:

	<u>Local Currency</u>	<u>Dollars</u>	<u>Total</u>
Technical Assistance to CONPAN	\$ 125,000	\$ 700,000	\$ 825,000
Professional/ Consulting Services	1,400,000	150,000	1,550,000
Pilot Projects	<u>1,975,000</u>	<u>650,000</u>	<u>2,625,000</u>
Total	\$3,500,000	\$1,500,000	\$5,000,000

The estimates shown above are subject to refinement and modification during the four year implementation period of the Project.

EGYPT

Industrial and Agricultural Production

*Agreement signed at Cairo December 18, 1975;
Entered into force December 18, 1975.*

A.I.D. Loan No. 263-K-029 .

LOAN AGREEMENT BETWEEN UNITED STATES OF AMERICA AND THE ARAB REPUBLIC OF EGYPT

Date: 18 December 1975

(4081)

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LOAN AGREEMENT dated the 18th day of December 1975 between the UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.") and the Arab Republic of Egypt (the "Borrower"),

ARTICLE I

The Loan

SECTION 1.01. The Loan. A.I.D. agrees to lend to the Borrower pursuant to the Foreign Assistance Act of 1961, as amended,^[1] an amount not to exceed one hundred million United States dollars (\$100,000,000) (the "Loan") for the foreign exchange costs of commodities and commodity-related services, as such services are defined by A.I.D Regulation 1, needed to assist the Borrower to increase its industrial and agricultural production. Commodities and commodity-related services authorized to be financed hereunder are hereinafter referred to as "Eligible Items," as hereinafter more fully described in Section 4.04. The aggregate amount of disbursements under the Loan is hereinafter referred to as "Principal."

ARTICLE II

Loan Terms

SECTION 2.01. Interest. The Borrower shall pay to A.I.D. interest which shall accrue at the rate of two percent (2%) per 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 shall accrue from the date of each respective disbursement (as such date is defined in Section 5.03) and shall be computed on the basis of a 365-day year. Interest shall be payable semiannually. The first payment of interest shall 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 2.02. Repayment. The Borrower shall repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement hereunder in sixty-one (61) approximately equal semi-annual installments of Principal and interest. The first installment of Principal shall 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 2.01. A.I.D. shall provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 2.03. Application, Currency and Place of Payment. All payments of interest and Principal hereunder shall be made in United

¹ 75 Stat. 424, 22 U.S.C. § 2151 note.

States dollars and shall 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, all such payments shall be made to the Controller, Agency for International Development, Washington, D.C., U.S.A., and shall be deemed made when received by the Office of the Controller.

SECTION 2.04. Prepayment. Upon payment of all interest and refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Any such prepayment shall be applied to the installments of Principal in the inverse order of their maturity.

SECTION 2.05. Renegotiation of the Terms of the Loan. The Borrower agrees to negotiate with A.I.D., at such time or times as A.I.D. may request, an acceleration of the repayment of the Loan in the event that there is any significant improvement in the internal and external economic and financial position and prospects of the country of the Borrower.

ARTICLE III

Conditions Precedent to Disbursement

SECTION 3.01. Conditions Precedent to Initial Disbursement.

Prior to any disbursement or to the issuance of any Letter of Commitment or other authorization of disbursement under the loan, the Borrower shall, 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 or opinions of the Minister of Justice of the Arab Republic of Egypt 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 8.02 and a specimen signature of each person specified in such statement.

SECTION 3.02. Terminal Date for Meeting Conditions Precedent to Disbursement. If all the conditions specified in Section 3.01 shall not have been met within ninety (90) days after 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 giving written notice to the Borrower. In the event of a termination hereunder, upon the giving of notice the Borrower shall immediately repay the Principal then outstanding and shall pay any accrued interest and upon receipt of such payments in full, this Agreement and all obligations of the parties hereunder shall terminate.

SECTION 3.03. Notification of Meeting Conditions Precedent to Disbursement. A.I.D. shall notify the Borrower upon determination

by A.I.D. that the conditions precedent to disbursement specified in Section 3.01 have been met.

ARTICLE IV

Procurement, Utilization, and Eligibility of Commodities

SECTION 4.01. A.I.D Regulation 1. Except as A.I.D may otherwise specify in writing, this Loan and the procurement and utilization of Eligible Items 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, which is incorporated and made a part hereof. 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 4.02. Source of Procurement. Except as A.I.D may specify in Implementation Letters or Commodity Procurement Instructions, or as it may otherwise agree in writing, all Eligible Items shall have their source and origin in the United States of America.

SECTION 4.03. Date of Procurement. Except as A.I.D may otherwise agree in writing, only those commodities licensed by the Borrower on or after the date that the first Letter of Commitment under this loan becomes operative, and services related to such commodities, shall be eligible for financing under this Loan.

SECTION 4.04. Eligible Items.

(a) The commodities eligible for financing under this Loan shall be those specified in the A.I.D Commodity Eligibility Listing as set forth in the Implementation Letters and Commodity Procurement Instructions issued to Borrower. Commodity-related services as defined in A.I.D Regulation 1 are eligible for financing under this Loan. Other items 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 purpose of the Loan or of the Foreign Assistance Act of 1961, as amended.

(b) A.I.D reserves the right in exceptional situations to delete commodity categories or items within commodity categories described by Schedule B codes on the Commodity Eligibility Listing. Such right will be exercised at a point in time no later than commodity prevalidation by A.I.D (Form 11 approval) or, if no commodity prevalidation is required, no later than the date on which an irrevocable Letter of Credit is confirmed by a U.S. bank in favor of the supplier.

(c) If no prevalidation is required and payment is not by Letter of Credit, A.I.D will exercise this right no later than the date on which it expends funds made available to the Borrower under this Agreement for the financing of the commodity. In any event, however, the Borrower will be notified through the A.I.D Mission in its country

of any decision by A.I.D. to exercise its right pursuant to a determination that financing the commodity would adversely affect A.I.D. or foreign-policy objectives of the United States or could jeopardize the safety or health of people in the importing country.

SECTION 4.05. Procurement for Public Sector. With respect to procurement hereunder by or for the Borrower, its departments and instrumentalities except public sector manufacturing undertakings:

(a) The provision of Section 201.22 of A.I.D. Regulation 1 regarding competitive bid procedures shall apply unless A.I.D. otherwise agrees in writing; and

(b) Borrower will undertake to assure that public sector end-users under this Loan establish adequate logistic management facilities and that adequate funds are available to pay banking charges, customs, duties and other commodity-related charges in connection with commodities imported by public sector end-users.

SECTION 4.06. Financing Physical Facilities. Except as A.I.D. may otherwise agree in writing, not more than \$1,000,000 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 any one physical facility or related physical facilities without prior A.I.D. approval, additional to the approvals required by A.I.D. Regulation 1. "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 4.07 Utilization of Commodities.

(a) Borrower shall insure that commodities financed under this Agreement shall be effectively used for the purpose for which the assistance is made available. Such effective use shall include:

(i) The maintenance of accurate arrival and clearance records by customs authorities and the prompt processing of commodity imports through customs at ports of entry and removal from customs and/or customs-bonded warehouses of such commodities, the total time for which (from date commodities arrive at port of entry to date importer removes them from customs) shall not exceed ninety (90) calendar days unless the importer is hindered by force majeure or A.I.D. otherwise agrees in writing;

(ii) The consumption or use not later than one (1) year from the date the commodities arrive at the port of entry unless a longer period can be justified to the satisfaction of A.I.D. by reason of force majeure or special market or other circumstances; and

(iii) The proper surveillance and supervision by Borrower to reduce breakage and pilferage in ports resulting from careless or deliberately improper cargo handling practices, as specified in detail in Implementation Letters.

(b) Borrower shall use its best efforts to prevent the use of commodities financed under this Agreement to promote or assist any project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such projected use except with the prior written consent of A.I.D.

SECTION 4.08. Motor Vehicles. Except as A.I.D. may otherwise agree in writing, 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.

SECTION 4.09. Minimum Size of Transactions. Except where authorized by A.I.D. in writing, no foreign exchange allocation or Letter of Credit issued pursuant to this Agreement shall be in an amount less than ten thousand Dollars (\$10,000). The minimum size of transaction restriction is not applicable for end-use importers.

SECTION 4.10. Procedures. A.I.D. will issue binding Implementation Letters and Commodity Procurement Instructions which will prescribe the procedures applicable in connection with the implementation of this Agreement.

ARTICLE V

Disbursements

SECTION 5.01. Disbursement for United States Dollar Costs — Letters of Commitment to United States Banks. Upon satisfaction of conditions precedent, the Borrower may, from time to time, request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to the Borrower or any designee of the Borrower, through the use of Letters of Credit or otherwise, for costs of Eligible Items procured in accordance with the terms and conditions of this Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. Banking charges incurred in connection with Letters of Commitment and Letters of Credit shall be for the account of the Borrower and may be financed under the Loan.

SECTION 5.02. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means and by such other procedures, as the Borrower and A.I.D. may agree to in writing.

SECTION 5.03. Date of Disbursement. Disbursements by A.I.D. shall be deemed to occur, in the case of disbursements pursuant to Section 5.01, on the date on which A.I.D. makes a disbursement to

the Borrower, to its designee, or to a banking institution pursuant to a Letter of Commitment.

SECTION 5.04. Terminal Date for Requests for Letters of Commitment. Except as A.I.D. may otherwise agree in writing, no Letter of Commitment shall be issued in response to a request received after twelve (12) months from the date A.I.D. notifies the Borrower that the conditions precedent specified in Section 3.01 have been met.

SECTION 5.05. Terminal Date for Disbursement. Except as A.I.D. may otherwise agree in writing, no disbursement of loan funds shall be made against documentation submitted after eighteen (18) months from the date A.I.D. notifies the Borrower that the conditions precedent specified in Section 3.01 have been met.

SECTION 5.06. Documentation Requirements. A.I.D. Regulation 1 specifies in detail the documents required to substantiate disbursements under this Agreement by Letter of Commitment or other method of financing. The document number shown on the Letter of Commitment or other disbursing authorization document shall be the number reflected on all disbursement documents submitted to A.I.D. In addition to the above, Borrower shall maintain records adequate to establish that commodities financed hereunder have been utilized in accordance with Section 4.07 of this Agreement. Additional documents may also be required by A.I.D. with respect to specific commodities, as may be set forth in detail in Implementation Letters.

SECTION 5.07. Records. Borrower shall maintain or cause to be maintained in accordance with sound accounting principles and practices consistently applied such books and records relating to this Agreement as may be prescribed in Implementation Letters. Such books and records shall be made available to A.I.D. for such periods and at such times as A.I.D. may require, and shall be maintained for five years after the date of last disbursement by A.I.D. under this Agreement.

ARTICLE VI

General Covenants and Warranties

SECTION 6.01. Reports. Borrower shall furnish to A.I.D. such information and reports relating to the goods and services financed by this Loan and the performance of Borrower's obligations under this Agreement as A.I.D. may request.

SECTION 6.02. Disclosure of Material Facts and Circumstances. The Borrower represents and warrants that all facts and circumstances that it has disclosed or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete, and that it has disclosed to A.I.D., accurately and completely, all facts and circumstances that might materially affect the Loan and the discharge of

its obligation under this Agreement. The Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise that might materially affect, or that it is reasonable to believe might materially affect, this Loan, or the discharge of the Borrower's obligations under this Agreement.

SECTION 6.03. Taxation. This Agreement, the Loan, and any evidence of indebtedness issued in connection herewith shall be free from, and the Principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within the country of the Borrower.

SECTION 6.04. Commissions, Fees and Other Payments.

(a) Borrower warrants and covenants that in connection with obtaining the Loan, or taking any action under or with respect to this Agreement, it has not paid, and will not pay or agree to pay, nor to the best of its knowledge has there been paid nor will there be paid or agreed to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to the Borrower's full-time officers and employees or as compensation for bona fide professional, technical or comparable services. The Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical, or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by A.I.D., the same shall be adjusted in a manner satisfactory to A.I.D.

(b) The Borrower warrants and covenants that no payments have been or will be received by the Borrower, or any official of the Borrower, in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payments legally established in the country of the Borrower.

ARTICLE VII

Cancellation and Suspension

SECTION 7.01. Cancellation by the Borrower. The Borrower may, with the prior written consent of A.I.D., by written notice to A.I.D., cancel any part of the Loan (i) which, prior to the giving of such notice, A.I.D. has not disbursed or committed itself to disburse, or (ii) which has not then been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit.

SECTION 7.02. Events of Default: Acceleration. If any one or more of the following events ("Events of Default") shall occur:

(a) The Borrower shall have failed to pay when due any interest or installment of Principal required under this Agreement;

(b) The Borrower shall have failed to comply with any other provision of this Agreement, including, but without limitation, the obligation to carry out the Program with due diligence and efficiency;

(c) The Borrower shall have failed to pay when due any interest or any installment of Principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between the Borrower or any of its agencies and A.I.D., or any of its predecessor agencies, then A.I.D may at its option, give to the Borrower notice that all or any part of the unrepaid Principal shall be due and payable sixty (60) days thereafter, and, unless the Event of Default is cured within such sixty (60) days: (i) Such unrepaid Principal and any accrued interest hereunder shall be due and payable immediately; and (ii) the amount of any further disbursements made under then outstanding Irrevocable Letters of Credit or otherwise shall become due and payable as soon as made.

SECTION 7.03. Suspension of Disbursements, Transfer of Goods to A.I.D. In the event that at any time:

(a) An Event of Default has occurred;

(b) An event occurs which A.I.D. determines to be an extraordinary situation that makes it improbable either that the purpose of the Loan will be attained or that the Borrower will be able to perform its obligation under this Agreement; or

(c) Any disbursement would be in violation of the legislation governing A.I.D., then A.I.D., in addition to remedies provided in A.I.D Regulation 1, at its option, may (i) decline to issue further Letters of Commitment or other disbursing authorization, (ii) suspend or cancel outstanding Letters of Commitment or other disbursing authorizations to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit, or (iii) to the extent that A.I.D has not made direct reimbursement to Borrower thereunder, giving notice to Borrower promptly thereafter, decline to make disbursements other than under Letters of Commitment; and (iv) at A.I.D's expense, direct that title to goods financed hereunder shall be transferred to A.I.D., if the goods are in a deliverable state and have not been offloaded in ports of entry of the Arab Republic of Egypt.

(d) The Borrower shall have failed to pay when due any interest or any installment of principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between the Borrower or any of its agencies and the Government of the United States or any of its agencies.

SECTION 7.04. Cancellation by A.I.D. Following any suspension of disbursements pursuant to Section 7.03, if the cause or causes for such suspension of disbursements shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, A.I.D. may, at its option, at any time or times thereafter, cancel all

or any part of the Loan that is not then either disbursed or subject to irrevocable Letters of Credit.

SECTION 7.05. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursement or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect, (as to any funds disbursed under this Loan) until the repayment in full of all Principal and any accrued interest hereunder.

SECTION 7.06. Refunds. In addition to any refund otherwise required by A.I.D. pursuant to A.I.D. Regulation 1, in the case of any disbursement not supported by valid documentation in accordance with the terms of this Agreement, or of any disbursement not made or used in accordance with the terms of this Agreement or is in violation of the laws governing A.I.D., A.I.D may require the Borrower to refund such amount in United States dollars to A.I.D within thirty (30) days after receipt of a request therefor. Refunds paid by 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, reducing the amount available for future disbursement, and shall not be available for reuse under the Agreement.

SECTION 7.07 Expenses of Collection. All reasonable costs incurred by A.I.D., other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due A.I.D. by reason of the occurrence of any of the events specified in Section 7.02 may be charged to the Borrower and reimbursed to A.I.D. in such manner as A.I.D may specify.

SECTION 7.08. Nonwaiver of Remedies. No delay in exercising or omission to exercise any right, power or remedy accruing to A.I.D. under this Agreement shall be construed as a waiver of any of such rights, powers or remedies.

ARTICLE VIII

Miscellaneous

SECTION 8.01. Communications. Any notice, request, document, or other communication given, made, or sent by the Borrower or A.I.D pursuant to this Agreement shall be in writing or by telegram, cable, or radiogram 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 to such party by hand or by mail, telegram, cable, or radiogram at the following addresses:

TO BORROWER.

Mail Address: Ministry of Economy and Economic Cooperation
8 Adly Street
Cairo, Egypt

Cable Address: 8 Adly Street
Cairo, Egypt

TO A.I.D..

Mail Address: United States Agency for International Development
c/o U.S. Embassy
Cairo, Egypt

Cable Address: U.S. Embassy, Cairo

Other addresses may be substituted for the above upon the giving of notice. All notices, requests, communications, and documents submitted to A.I.D hereunder shall be in English, except as A.I.D. may otherwise agree in writing.

SECTION 8.02. Representatives. For all purposes relative to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Minister of Economy and Economic Cooperation, and A.I.D will be represented by the individual holding or acting in the office of A.I.D. Representative, Cairo, Egypt. Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and specimen signature in form and substance satisfactory to A.I.D Until receipt by A.I.D. of written notice of revocation of the authority on any of the duly authorized representatives of the Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

SECTION 8.03. Implementation Letters. A.I.D. shall from time to time issue Implementation Letters that will prescribe the procedures applicable hereunder in connection with the implementation of this Agreement.

SECTION 8.04. Promissory Notes. At such time or times as A.I.D. may request, the Borrower shall issue promissory notes or such other evidences of indebtedness with respect to the Loan, in such form,

containing such terms and supported by such legal opinions as A.I.D. may reasonably request.

SECTION 8.05. Termination Upon Full Payment. Upon payment in full of the Principal and of any accrued interest, this Agreement and all obligations of the Borrower and A.I.D under this Loan Agreement shall terminate.

IN WITNESS WHEREOF, Borrower and the United States of America, each acting through its respective 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· M. Z. Shafei

By· Hermann Fr. Eilts

Title: Minister of Economy

Title: American Ambassador

INDONESIA
Agricultural Commodities

*Agreement amending the agreement of April 19, 1976, as amended.
Effectuated by exchange of notes*

*Signed at Jakarta November 15 and 17, 1976;
Entered into force November 17, 1976.*

The American Ambassador to the Indonesian Minister of Foreign Affairs

No. 984

JAKARTA, November 15, 1976

EXCELLENCY:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, September 11, October 15 and October 19, 1976,^[1] and to propose that Part II, Particular Provisions, be further amended as follows to extend the supply period of the Agreement:

Item I, Commodity Table: On each line titled "Wheat/Wheat Flour, Rice and Bulgur" and under the column titled "Supply Period", delete "1976" and substitute "1976 plus First Two Months of 1977".

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

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

DAVID D NEWSOM

His Excellency

ADAM MALIK

Minister of Foreign Affairs
Jakarta

¹ TIAS 8308, 8379, 8404; *ante*, p. 2279, p. 3534, p. 3866.

The Indonesian Minister of Foreign Affairs to the American Ambassador



Jakarta, November 17, 1976.

No. :D. 1074 /76/01.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of November 15, 1976 which reads as follows:

"I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on April 19, 1976, as amended on May 28, June 15, September 11, October 15 and October 19, 1976, and to propose that Part II, Particular Provisions, be further amended as follows to extend the supply period of the Agreement

Item I, Commodity Table: On each line titled "Wheat/Wheat Flour, Rice and Bulgur" and under the column titled "Supply Period", delete "1976" and substitute "1976 plus First Two Months of 1977"

All other terms and conditions of the April 19, 1976 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note and your reply thereto constitute an agreement between our two Governments effective on the date of your Note in reply.

Accept, Excellency, the renewed assurance of my highest consideration".

I have the honour to confirm that the proposed amendments as described in your Note are acceptable to my Government and to agree that Your Excellency's Note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the date of this Note.

Please, Excellency, accept the renewed assurance of my highest consideration.

ADAM MALIK.
Minister of Foreign Affairs.

His Excellency
David D. Newsom
Ambassador of the United
States of America.

J A K A R T A . -

ICELAND

Long Range Aid to Navigation (LORAN) Station at Keflavik, Iceland

*Arrangement signed at Keflavik September 9, 1975;
Entered into force September 9, 1975;
Effective July 1, 1976.*

ARRANGEMENT FOR ICELANDIC OPERATION OF LORAN MONITOR FACILITY AT THE U.S. NAVAL STATION, KEFLAVIK, ICELAND

I. BASIS. This arrangement is entered into pursuant to plans for reducing U.S. military personnel in Iceland in accordance with the agreed minute of 22 October 1974.^[1] This arrangement is made between the UNITED STATES OF AMERICA, represented by the U.S. Coast Guard, and the GOVERNMENT OF ICELAND, represented by the Post and Telecommunications Administration of Iceland.

II. PURPOSE. This arrangement assigns the responsibility for operating and maintaining the facilities and equipment of the LORAN-C Monitor Station, Keflavik, Iceland (hereinafter denoted as "LORMONSTAKEF"), including communications and electronic facilities and equipment, from the United States Coast Guard to the Post and Telecommunications Administration (hereinafter denoted as "USCG" and "PTA" respectively), and delineates the functions and responsibilities of each agency.

III. OPERATIONAL MISSION AND RESPONSIBILITIES. The mission of LORMONSTAKEF is to control the synchronization of the LORAN-C stations located at Angissoq, Greenland, Sandur, Iceland, Ejde, Faeroe Islands; and such other stations as may be assigned, using operating procedures and tolerances published by the USCG.

IV CHAIN OPERATIONAL CONTROL OFFICER. The USCG will retain at the U.S. Naval Station, Keflavik or other suitable location, a Chain Operational Control Officer (hereinafter denoted "COCO") to exercise operational control over assigned LORAN-C stations and over LORMONSTAKEF via teletype communications circuits. The COCO will be a USCG officer with specialized LORAN-C

¹ TIAS 7969; 25 UST 3085.

background and knowledge, who will also act as primary liaison officer for routine matters between LORMONSTAKEF and the USCG. PTA will insure that LORMONSTAKEF complies with any and all directions from the COCO which affects the operational mission of the Monitor Station as defined above.

V VISITS AND EQUIPMENT MODIFICATIONS. PTA will permit periodic visits to LORMONSTAKEF by USCG technical personnel, including COCO and his staff, to ensure proper functioning of the Monitor Station as related to its operational mission. In the performance of his duties COCO will have both routine and unscheduled access to the Monitor Station. The installation of equipment modification kits which are periodically issued by the USCG will be performed by PTA, all materials required for these kits will be provided by the USCG at no cost to PTA.

VI. MAINTENANCE AND REPAIR. All maintenance and repair of LORMONSTAKEF equipment and facilities will be performed by PTA. Parts, tools and equipment for this purpose will be procured by PTA by the most expedient and/or economical method, in accordance with the "Logistics" Section of this arrangement. The services of U.S. "HOST" facilities with which LORMONSTAKEF has entered into Support Agreements will be utilized to the maximum possible extent.

VII. FACILITIES AND EQUIPMENT. LORMONSTAKEF consists of allocated spaces in buildings 1650 and T-2453, U.S. Naval Station, Keflavik, and all equipment and office furnishings stored or installed therein. All such furnishings and equipment remain the property of the United States, except those items provided by PTA for which the USCG is not billed. The USCG will furnish all tools, equipment and furnishings required for the operation and maintenance of the LORMONSTA. PTA will establish inventory procedures such that all items provided by the United States are accounted for; all such item, will be disposed of as directed by the USCG when no longer required. All such United States property, equipment, books, tools, etc., in the possession of PTA or its employees may not be disposed of or placed on loan to any agency or activity without prior written approval of the USCG. Requirements for new or additional facilities and/or changes to existing facilities will be submitted by PTA to the USCG for review and programming as necessary. When such projects are approved and funded, accomplishment will be in accordance with the terms of the DEFENSE AGREEMENT of 1951,^[1] as amended, and with the regulations of the Naval Station Commander.

VIII. CUSTOMS DUTIES AND TAXES. Spare parts, materials, equipment and consumables provided through United States sources which are required for the continued operation and maintenance of LORMONSTAKEF or for the construction of new facilities will be authorized entry into Iceland free of all customs duties, taxes, or similar import levies.

^[1] TIAS 2266; 2 UST 1195.

IX. PERSONNEL. PTA will provide capable personnel for the continued operation of LORMONSTAKEF, and for all maintenance and repair work not coverable by Support Agreement services of the U.S. "HOST" facilities. PTA will recruit, supervise and manage all personnel employed for the operation of LORMONSTAKEF. Rates of pay will conform to scales established by the Icelandic Government; the grade level of each position will be mutually agreed upon by PTA and the USCG; any or all grade levels or complements may be mutually reviewed at any time at the request of either PTA or the USCG.

X. BUDGETARY AND REIMBURSEMENT PROCEDURES. PTA will be reimbursed by the USCG for all funds expended incidental to the manning, operation, and maintenance of LORMONSTAKEF, and for services utilized in the direct support of LORMONSTAKEF. PTA will prepare and submit, by 1 November each year, a budget of all anticipated costs to be incurred during the forthcoming calendar year for the operation and maintenance of the Monitor Station. Billings for the reimbursement of funds actually used by the PTA in the performance of their responsibilities under this arrangement will be submitted quarterly to the USCG, and immediately processed for payment. The format for the budget and for billings will be as mutually agreed by PTA and the USCG. Reimbursement to PTA may be in either U.S. Dollars or an equivalent amount of Icelandic Kronur at the option of the USCG, except that payment of the expenses of personnel undergoing training in the United States will be in U.S. Dollars. PTA may, at their option, request an advance of funds without interest not to exceed the estimated operating expenses for a three month period, and/or the estimated travel and per diem expenses of Icelandic employees undergoing training in the United States. These advances will be liquidated upon receipt and approval by the USCG of billings for actual costs incurred by PTA.

XI. TRAINING. The USCG will provide training in the operation and repair of specialized LORAN-C monitoring and communications equipment as required, for all station technicians and one technical supervisor. PER DIEM, travel, and tuition expenses will be paid by the USCG as provided above.

XII. LOGISTICS. Spare parts, materials, equipment, consumables, office supplies, and other items required for the operation, maintenance, or repair of facilities of LORMONSTAKEF will be procured by the most economical means, utilizing local sources, U.S. logistics channels and/or support agreements with elements of U.S. Department of Defense whenever possible. The USCG will establish procedures for procurement via U.S. channels. Materials not normally available by these means, or required for rapid recoupment of inoperative station equipment, will be procured by the most expedient and economical sources. High value repairable equipment which cannot be repaired locally will be properly stored, packed and returned to the appropriate facility in the United States for repair and/or

calibration, as required. Incoming mail may be processed through the Naval Station Fleet Post Office; outgoing mail will be processed through International or internal mail systems as appropriate.

XIII. SECURITY. PTA will be responsible for security within the LORMONSTAKEF building spaces, and for the protection of U.S. furnished property. PTA will establish the necessary controls to prevent malicious damage or sabotage to the Monitor Station. PTA will comply with all U.S. Naval Station Security regulations, and will cooperate at all times with Naval Station Security Forces. Control of visitors to LORMONSTAKEF will be exercised by PTA.

XIV CLAIMS. Claims against the United States or the Government of Iceland brought about from damage to or loss of property, injury, or death will be passed to the appropriate government for action in accordance with the provisions of the 1951 Defense Agreement, as amended.

XV TERMINATION. After the present arrangement has been in effect for a period of two years from its effective date, the parties may consult at the request of one of them with regard to the continuation of operation of LORMONSTAKEF. If the parties cannot come to agreement on the continuation of operation with a period of one year following request for consultation, the station shall cease operation after one year's notice by the interested party. All U.S. furnished equipment may then be removed or otherwise disposed of by the USCG.

XVI. EFFECTIVE DATE. This Arrangement shall become effective 1 July 1976.

IN WITNESS WHEREOF, the parties hereto have executed this agreement:

J SKULASON

L W GODDU

(Title)

(Title)

Director General, Icelandic Post
and Telecommunications
Administration

Commander, Coast Guard
Activities, Europe

1975-09-09
(Date)

9 September 1975
(Date).

BELGIUM

Mutual Defense Assistance

Agreement amending annex B to the agreement of January 27, 1950.

Effectuated by exchange of notes

*Signed at Brussels July 19 and 29, 1976;
Entered into force July 29, 1976.*

The American Ambassador to the Belgian Minister of Foreign Affairs

No. 37

BRUSSELS, July 19, 1976

EXCELLENCY.

I have the honor to refer to this Embassy's Note no. 32, dated June 30, 1976, and to the Note dated July 14, 1976^[1] from the Ministry of Foreign Affairs regarding a revision of Annex B to the Mutual Defense Assistance Agreement^[2] between the United States of America and Belgium to provide for funds for administrative expenses in connection with the Mutual Defense Assistance Program during the year which ended June 30, 1976. It was agreed by this exchange of Notes that Annex B would be amended to cover the period July 1, 1975 to June 30, 1976 and the text changed to reflect the actual administrative expenses foreseen in connection with carrying out the Mutual Defense Assistance Agreement. It is accordingly proposed that the text of Annex B amended to read as follows:

"In implementation of paragraph 1 of Article V of the Mutual Defense Assistance Agreement the Government of Belgium, in conjunction with the Government of Luxembourg, will deposit Belgian and Luxembourg francs at such times as requested in an account designated by the United States Embassy at Brussels and the United States Embassy at Luxembourg, not to exceed in total 13,814,433 Belgian and Luxembourg francs, for their use on behalf of the Government of the United States for administrative expenditures within Belgium and Luxembourg in connection with carrying out that Agreement for the period July 1, 1975 – June 30, 1976."

Upon receipt of a Note from Your Excellency indicating that the foregoing text is acceptable to the Belgian Government, the Govern-

¹ Not printed.

² TIAS 2010, 8145; 1 UST 10; 26 UST 1904.

ment of the United States of America will consider that this Note and the reply thereto constitute an agreement between the two Governments on this subject which shall enter into force on the date of Your Excellency's Note.

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

LEONARD K. FIRESTONE

His Excellency

RENAAT VAN ELSLANDE,
Minister of Foreign Affairs,
Brussels.

The Belgian Minister of Foreign Affairs to the American Ambassador

MINISTÈRE DES AFFAIRES ETRANGÈRES
ET DU
COMMERCE EXTÉRIEUR

Bruxelles, LE 29-07-1976

MONSIEUR L'AMBASSADEUR,

J'ai l'honneur d'accuser la réception de la lettre de Votre Excellence du 19 juillet 1976, n° 37, ayant pour objet la modification pour l'exercice fiscal 1975/76 de l'Annexe de l'Accord pour la défense mutuelle entre la Belgique et les Etats-Unis d'Amérique.

Je tiens à marquer à Votre Excellence l'accord du Gouvernement belge sur le texte suivant:

"En exécution du paragraphe 1 de l'article V de l'Accord d'Aide pour la défense mutuelle, le Gouvernement belge, conjointement avec le Gouvernement luxembourgeois, déposera lorsqu'il en sera prié, à un compte désigné par l'Ambassade des Etats-Unis à Bruxelles et l'Ambassade des Etats-Unis à Luxembourg à l'usage de ces dernières, au nom du Gouvernement des Etats-Unis, des francs belges et luxembourgeois, dont le total ne dépassera pas 13.814.433 francs belges et luxembourgeois, en vue du règlement des dépenses administratives en Belgique et au Luxembourg résultant de l'exécution de cet accord pour la période du 1er juillet 1975 au 30 juin 1976"

Je marque également mon accord pour considérer que la note de Votre Excellence en date du 19 juillet 1976 et la présente réponse, constituent un accord entre les deux Gouvernements à ce sujet, qui entrera en vigueur à la date de ce jour.

TIAS 8430

Je saisir cette occasion, Monsieur l'Ambassadeur, pour renouveler à Votre Excellence, l'assurance de ma très haute considération.

R VAN ELSLANDE

R. Van Elslande

A Son Excellence

Monsieur L. FIRESTONE

*Ambassadeur des Etats-Unis d'Amérique
à Bruxelles.*

Translation

MINISTRY OF FOREIGN AFFAIRS

BRUSSELS, July 29, 1976

EXCELLENCY.

I have the honor to acknowledge receipt of Your Excellency's note No. 37 of July 19, 1976, regarding the amendment of the Annex of the Mutual Defense Assistance Agreement between Belgium and the United States of America for fiscal year 1975-1976.

I wish to inform Your Excellency that the Government of Belgium agrees on the following text:

[For the English language text, see pp. 1-2.]

I also agree to consider that Your Excellency's note of July 19, 1976 and this reply constitute an agreement between the two Governments in this regard, which will enter into force today

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

R VAN ELSLANDE

R. Van Elslande

His Excellency

LEONARD FIRESTONE,

*Ambassador of the United States of America,
Brussels.*

TIAS 8430

JAPAN

Mutual Defense Assistance: Cash Contribution by Japan

Agreement relating to the agreement of March 8, 1954.

Effectuated by exchange of notes

Signed at Tokyo June 18, 1976;

Entered into force June 18, 1976.

日本国外務大臣

二
三
年
水

日本國駐在アメリカ合衆国特命全權大使

ジエームズ・D・ホッドソン閣下

府が提供すべき金銭負担の額を、同年度に同政府が使用に供する金銭以外のものによる負担を考慮に入れて、七千八百六十四万二千円（七八、六四一、〇〇〇円）を超えないものとすることを日本国政府に代わつて提案する光栄を有します。

貴国政府が前記の提案を受諾されるときは、この書簡及び受諾を表明される閣下の返簡は、日本国の昭和五十一会計年度において日本国政府が提供すべき金銭負担の額に関する両政府間の合意を構成するものと認めます。

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。

千九百七十六年六月十八日 東京で

The Japanese Minister for Foreign Affairs to the American Ambassador [1]

書簡をもつて啓上いたします。本大臣は、千九百五十四年三月八日に東京で署名された日本国とアメリカ合衆国との間の相互防衛援助協定に言及する光榮を有します。

同協定第七条²は、日本国政府が、同協定の実施に関連するアメリカ合衆国政府の行政事務費及びこれに関連がある経費として、アメリカ合衆国政府に隨時円資金を提供すべきことを定めています。

また、同協定附属書G₃は、日本国の毎会計年度において日本国政府が提供すべき金銭負担としての日本円の価額については、同政府が使用に供する金銭以外のものによる負担を考慮に入れられた上、両政府の間で合意すべきことを定めています。

よつて、本大臣は、更に、昭和五十一年四月一日から昭和五十二年三月三十日までの日本国の会計年度において日本国政

¹ For the English language translation, see p. 4108.

The American Ambassador to the Japanese Minister for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 362

June 18, 1976

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 Mutual Defense Assistance Agreement between Japan and the United States of America signed at Tokyo on March 8, 1954." [1]

"Article VII, paragraph 2 of the Agreement provides that the Government of Japan will make available, from time to time, to the Government of the United States of America funds in yen for the administrative and related expenses of the latter Government in connection with carrying out the Agreement."

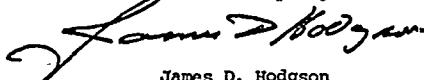
"Paragraph 3 of Annex G of the Agreement provides that, in consideration of the contributions in kind to be made available by the Government of Japan, the amount of yen to be made available as a cash contribution by the Government of Japan for any Japanese fiscal year shall be as agreed upon between the two Governments."

"Accordingly, I have further the honor to propose on behalf of the Government of Japan that, in consideration of the contributions in kind to be made available by the Government of Japan during the Japanese fiscal year from April 1, 1976 to March 31, 1977, the amount of the cash contribution to be made available by the Government of Japan for the said fiscal year shall not exceed seventy eight million six hundred and forty two thousand yen (¥78,642,000)."

"If the foregoing proposal is acceptable to your Government, this Note and Your Excellency's reply to that effect shall be considered as constituting an agreement between our two Governments on the amount of cash contribution to be made available by the Government of Japan for the Japanese fiscal year 1976."

I have further the honor to inform Your Excellency that the above proposal of the Government of Japan is acceptable to the Government of the United States of America and to confirm that Your Excellency's Note and this reply are considered as constituting an agreement between our two Governments on the amount of the cash contribution to be made available by the Government of Japan for the Japanese fiscal year 1976.

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



James D. Hodgson

His Excellency
Kichi Miyazawa
Minister for Foreign Affairs
Tokyo

¹ TIAS 2957, 8198, 5 UST 661, 26 UST 2917.

PHILIPPINES

Continued Operation of Long Range Aid to Navigation (LORAN) Stations

Agreement extending the agreement of November 3 and December 15, 1975.

Effectuated by exchange of notes

Dated at Manila July 29 and October 28, 1976;

Entered into force October 28, 1976;

Effective January 1, 1977.

The American Embassy to the Philippine Department of Foreign Affairs

No. 444

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to the Agreement between the two Governments concerning the continued operation of Long Range Aid to Navigation (LORAN-A) stations in the Philippines, effected by an exchange of notes at Manila dated November 3 and December 15, 1975,^[1] and which is due to expire on December 31, 1976.

The Embassy has the honor to propose that this Agreement on the continued operation of LORAN-A stations be extended for an additional one-year period commencing January 1, 1977.

If the foregoing is acceptable to the Government of the Republic of the Philippines, the Embassy has the further honor to propose that this note, together with the Department's note in reply indicating concurrence, shall constitute an Agreement between the two Governments on this subject, effective as of January 1, 1977.

The Embassy avails itself of this opportunity to renew to the Department the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA,
MANILA, July 29, 1976

¹ TIAS 8204; 26 UST 2940.

The Philippine Department of Foreign Affairs to the American Embassy

REPUBLICA NG PILIPINAS
KAGAWARAN NG SULIRANING PANLABAS
MAYNILA [1]

No. 76-7664

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer to the Embassy's Note No. 444 dated 29 July 1976 concerning the continued operation of Long Range Aid to Navigation (LORAN-A) stations in the Philippines.

The Department has the honor to inform the Embassy that the Philippine Government agrees to the extension of the operation of the LORAN-A stations in the Philippines for an additional one-year period commencing 1 January 1977.

The Department has further the honor to inform the Embassy that this note together with the Embassy's note No. 444 dated 29 July 1976, shall constitute an Agreement between the two Governments on this subject, effective as of 1 January 1977.

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.

Manila, 28 October 1976

PN

¹ In translation reads: "Republic of Philippines
Department of Foreign Affairs
Manila"

VENEZUELA

Air Transport Services

Agreement amending the agreement of August 14, 1953, as amended.

Effectuated by exchange of notes

Signed at Caracas September 22, 1976;

Entered into force September 22, 1976.

With memorandum of consultation

Signed at Washington April 2, 1976.

The American Ambassador to the Venezuelan Acting Minister of Foreign Affairs

CARACAS, VENEZUELA

No. 680

SEPTEMBER 22, 1976

EXCELLENCY:

I have the honor to refer to the consultations held from June 8 to 9, 1976, in Caracas by the Technical Committee established by the Civil Aviation Delegations representing the Government of the United States of America and the Government of the Republic of Venezuela as provided in the Memorandum of Consultation of April 2, 1976. The Technical Committee agreed to recommend that Route 4, Schedule Two of the Annex to the Air Transport Agreement^[1] be modified to read as follows:

From Venezuela, except Maracaibo, via the Netherlands West Indies and the Dominican Republic to Washington, D.C./Baltimore and New York.

Washington, D.C./Baltimore to be served either through Dulles International Airport or Baltimore/Washington International Airport.

It is suggested that if the above modification is acceptable to the Government of Venezuela, this Note, together with Your Excellency's reply thereto accepting this proposal, shall constitute an agreement modifying Route 4, Schedule Two of the Annex to the Air Transport Agreement between the United States and Venezuela.

^[1] TIAS 2813, 3117, 7549; 4 UST 1518; 5 UST 2541, 24 UST 271.

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

VIRON P VAKY

His Excellency

Dr. JORGE GÓMEZ MANTELLINI

*Acting Minister of Foreign Affairs
Caracas.*

The Venezuelan Acting Minister of Foreign Affairs to the American Ambassador

REPUBLICA DE VENEZUELA
MINISTERIO DE RELACIONES EXTERIORES

PI/T 11582

Ministerio de Relaciones Exteriores
Dirección de Política Internacional
Departamento de Transporte
y Comunicaciones

Caracas, 22 de septiembre de 1976

Excelencia:

Tengo a honra avisar recibo de la atenta nota de
Vuestra Excelencia, número 680 de esta misma fecha, cuya ver-
sión al castellano es del tenor siguiente:

"Tengo el honor de referirme a las consultas rea-
lizadas en Caracas los días 8 y 9 de junio de 1976
por la Comisión Técnica establecida por las Dele-
gaciones de Aviación Civil que representaron al -
Gobierno de los Estados Unidos de América y al
Gobierno de la República de Venezuela en el Memo-
randum de Consulta de 2 de abril de 1976. La Co-
misión Técnica convino en recomendar que la Ruta
4 del Cuadro Dos del Anexo al Acuerdo sobre Trans-
porte Aéreo sea modificado para que se lea como -
sigue:

De Venezuela, excepto Maracaibo, vía Antillas -
Neerlandesas y República Dominicana a Washington
D.C./Baltimore y Nueva York.-

Washington, D.C./Baltimore será operado a través
del Aeropuerto Internacional de Dulles o del Aeropue-
to Internacional Baltimore-Washington.-

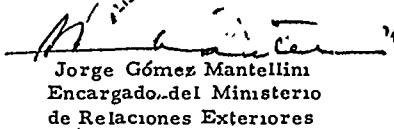
Al Excelentísimo Señor
Viron P. Vaky
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América
Presente.-

TIAS 8433

ñere que si la modificación anterior es
ble para el Gobierno de Venezuela, esta
unto con la respuesta de Vuestra Excelen-
cia aceptando esta proposición, constituyan un -
acuerdo que modifique la Ruta 4, del Cuadro de
Rutas Dos del Anexo al Acuerdo sobre Transpor-
te Aéreo entre los Estados Unidos y Venezuela. -
Acepte, Excelencia, las renovadas seguridades -
de mi más alta consideración" -

Me es grato informar a Vuestra Excelencia la -
conformidad del Gobierno de Venezuela con el contenido de la no-
ta arriba transcrita y que, por consiguiente, la comunicación que
contesto y la presente respuesta constituyen un acuerdo que modi-
fica la Ruta 4, del Cuadro de Rutas Dos del Anexo al Acuerdo so-
bre Transporte Aéreo entre la República de Venezuela y los Esta-
dos Unidos de América, firmado en Caracas el 14 de agosto de -
1953, modificado por cruce de notas diplomáticas de 11 de febre-
ro de 1972. -

Válgame de la oportunidad para renovar a Vuestra
Excelencia las seguridades de mi más alta consideración. -


Jorge Gómez Mantellini
Encargado del Ministerio
de Relaciones Exteriores

Translation

REPÚBLICA DE VENEZUELA
MINISTRY OF FOREIGN RELATIONS

PL/T 11582

CARACAS, September 22, 1976

MINISTRY OF FOREIGN RELATIONS
OFFICE OF INTERNATIONAL POLICY
DEPARTMENT OF TRANSPORT AND COMMUNICATIONS

EXCELLENCY.

I have the honor to acknowledge receipt of your note No. 680 dated today, which in Spanish translation reads as follows:

[For the English language text, see pp. 4111–4112.]

I take pleasure in informing Your Excellency that the Government of Venezuela concurs in the text of the note transcribed above and that, consequently, your note and this reply constitute an agreement modifying Route 4, Schedule Two of the Annex to the Air Transport Agreement between the Republic of Venezuela and the United States of America, signed at Caracas on August 14, 1953, and amended by exchange of diplomatic notes on February 11, 1972.

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

JORGE GOMEZ MANTELLINI

Jorge Gomez Mantellini
Acting Minister of Foreign Relations

His Excellency

VIRON P VAKY,
*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Caracas.*

MEMORANDUM OF CONSULTATION

Delegations representing the Government of Venezuela and the United States of America met in Washington from March 26 to April 1, 1976, to discuss civil aviation relations between the two countries. The names of the members of the two delegations are attached. A review of routes and services was conducted and an understanding was reached on the following points:

1. that there would be no price discrimination in the sale of aviation fuel to the carriers of both countries.
2. that in reference to the joint resolution of April 6, 1975 issued by the Ministries of Finance, Agriculture and Development the Venezuelan Delegation assured the U.S. Delegation that the transportation of air cargo between the U.S.A. and Venezuela would be governed by the terms of the Bilateral Air Transport Services Agreement in existence between the two countries.
3. that there would be an exchange of information through diplomatic channels to clarify the amount and application of air navigation and communications user charges imposed by the Government of Venezuela.
4. that there would be an exchange of information through diplomatic channels in regard to the question of the carriage of U.S. mail as raised by Venezuela.

Extensive information and statistical data was exchanged by the two delegations with respect to routes, traffic demands and levels of service. In view of the complex nature of this

material and the issues to which it related, the delegations agreed to establish government to government technical committees, to explore ways and means of resolving outstanding differences, and to meet within the next 60 days, or as otherwise mutually agreed. Upon completion of the Committee's work, results will be reported to the respective governments for study and for further consultations to be held by the full delegations at a mutually convenient time and place.

Until such time as future consultations take place both delegations agreed that the present schedules, filings and agreed changes for their carriers would be in effect.

Both delegations noted the outstanding spirit of friendship and understanding which existed throughout the negotiations; a strong testimony to the warm, traditional relationship which has always prevailed between the two countries.



Robert A. Brown
Chairman
United States Delegation



General Edgard Suarez Mier y Teran
Chairman
Venezuelan Delegation

Washington, D. C.

April 2, 1976

UNITED STATES DELEGATION

March 1976

Chairman Mr. Robert A. Brown
Chief, Aviation Negotiations Division
Department of State
Honorable Lee R. West
Member
Civil Aeronautics Board
Mr. Charles M. Palmer
Assistant to Member West
Civil Aeronautics Board
Mr. Donald L. Litton
Chief, Western Hemisphere
Bureau of International Affairs
Civil Aeronautics Board
Mrs. Carolyn K. Coldren
Western Hemisphere
Bureau of International Affairs
Civil Aeronautics Board
Mr. Algirdas J. Rimas
Office of Aviation
Department of State
Mr. Thomas W. Sonandres
Venezuelan Desk
Department of State

Observer Mr. Donald C. Comlish
Vice President - International Affairs
Air Transport Association

DELEGACION VENEZOLANA

General Edgard Suárez Mier y Terán, Director de Aeronáutica Civil del Ministerio de Comunicaciones, quien presidirá,

DELEGADOS:

Embajador Mariano Tirado S., Jefe del Departamento de Transporte y Comunicaciones de la Dirección de Política Internacional,
Señor José Luis Alegret, Ministro Consejero de la Embajada de Venezuela en Washington,

DELEGADOS—Continued

Doctor Alfredo Monque Díaz, Jefe del Departamento de Transporte Aéreo de la Dirección de Aeronáutica Civil del Ministerio de Comunicaciones;

Señor Andrés Boulton, Vicepresidente de la Venezolana Internacional de Aviación S. A. (VIASA).

OBSERVADORES:

Doctor Francisco Aguerrevere, Gerente General de la Venezolana Internacional de Aviación S.A. (VIASA)

Señor Oscar Aguerrevere, Gerente de Plainificación y Acuerdos de la Venezolana Internacional de Aviación S.A. (VIASA).

*Translation***Venezuelan Delegation**

Chairman. General Edgard Suárez Mier y Terán, Director of Civil Aeronautics, Ministry of Communications.

Delegates: Ambassador Mariano Tirado S., Chief, Division of Transportation and Communications, Bureau of International Policy; José Luis Alegrett, Minister Counselor, Embassy of Venezuela at Washington; Alfredo Monque Díaz, Chief, Division of Air Transport, Bureau of Civil Aeronautics, Ministry of Communications; Andrés Boulton, Vice President, Venezolana Internacional de Aviación, S.A. (VIASA).

Observers: Francisco Aguerrevere, General Manager, Venezolana Internacional de Aviación, S.A. (VIASA), Oscar Aguerrevere, Manager for Planning and Agreements, Venezolana Internacional de Aviación, S.A. (VIASA).

TIAS 8433

MULTILATERAL

Aviation: Joint Financing of Certain Air Navigation Services in Greenland and the Faroe Islands

Agreement amending the agreement done at Geneva September 25, 1956, as amended.

Adopted by the Council of the International Civil Aviation Organization at Montreal March 17, 1976;

Entered into force March 17, 1976.

ICAO·OACI ИКАО

INTERNATIONAL CIVIL
AVIATION ORGANIZATION

ORGANISATION DE L'AVIATION
CIVILE INTERNATIONALE

ORGANIZACIÓN DE AVIACIÓN
CIVIL INTERNACIONAL

МЕЖДУНАРОДНАЯ ОРГАНИЗАЦИЯ
ГРАЖДАНСКОЙ АВИАЦИИ

P.O. BOX 400, SUCCURSALE: PLACE DE L'AVIATION INTERNATIONALE,
1000 SHERBROOKE STREET WEST, MONTREAL, QUEBEC, CANADA H8A 2R2

Ref.. EC 8/66.5-76/46

30 MARCH 1976

Subject. Increase in the limit set forth in Article V of the 1956 Danish
JF Agreement for the year 1974 and utilization of accrued interest
Action required. To note

The Secretary General of the International Civil Aviation Organization presents his compliments and has the honour to state that, following the provisional approval given by Council during its 86th Session (C-Min. 86/1), all the Contracting Governments have consented to an increase in the Article V cost limit for 1974 to US \$4 310 987 of the Danish Agreement [1] and to the utilization of accrued interest in the Agreements Reserve Fund for the purpose of reimbursing the Government of Denmark for 95% of D.Kr. 786 117, i.e. US \$118 880. This new limit of US \$4 310 987 corresponds with the total approved audited actual costs for 1974 in the amount of D.Kr. 27 081 836 at the rate of exchange of US \$1.00=D.Kr. 6.28205.

¹TIAS 4049, 8421, 9 UST 798, *ante*, p. 4013.

BRAZIL

Trade, Investment and Financial Matters

*Joint communique issued at Brasilia May 11, 1976;
Entered into force May 11, 1976.*

JOINT COMMUNIQUE OF MARIO HENRIQUE SIMONSEN, MINISTER OF FINANCE OF BRAZIL AND WILLIAM E. SIMON, SECRETARY OF THE TREASURY OF THE UNITED STATES, MAY 11, 1976

The Secretary of the Treasury, William E. Simon, concluded today his visit to Brasilia. During his visit, the Secretary met with President Geisel, Finance Minister Simonsen and with Ministers Silveira, Velloso, Paulinelli, Ueki and with the Secretary General for Trade and Commerce, Belotti. Secretary Simon's discussions with Brazilian leaders covered a broad range of economic topics of major interest to the two governments and were marked by a spirit of cordiality.

At the conclusion of their meetings in Brasilia, the Secretary and Minister Simonsen announced a number of specific results which are a practical demonstration of the close ties between the U.S. and Brazil and open significant opportunities for future collaborative efforts of major benefit to the two countries.

Secretary Simon and Minister Simonsen agreed that a resolution of key bilateral trade issues would provide major impetus to an expansion of trade and investment between the U.S. and Brazil and deepen the relationship between them. They agreed, therefore, that this goal should be given their personal and priority attention. After a series of meetings they reached agreement on a number of important measures in achievement of this important goal.

Minister Simonsen announced his Government's intention to adjust export incentives in order to avoid barriers to the increase of Brazilian exports.

With respect to footwear, Minister Simonsen welcomed the recent decision taken by the President of the United States not to increase import barriers on footwear from Brazil. The Minister confirmed that no more export incentives on footwear are being provided than there were in 1974 and that the noted adjustments in the export incentives of Brazil assure that the utilization of tax credits is no higher than in

1973. Secretary Simon welcomed these developments and agreed that the present countervailing duties on footwear would not be reevaluated until the last quarter of next year.

Minister Simonsen indicated that the Brazilian Government would also adjust its tax credit program on exports of leather handbags. Secretary Simon indicated that this action would enable the United States to waive countervailing duties imposed on imports of leather handbags from Brazil and agreed to take such action effective July 1, 1976.

Minister Simonsen expressed his concern to Secretary Simon over the possibility of trade restrictions against Brazilian exports to the United States because of tax credits granted by the Brazilian Government on exports of soybean oil. He agreed with Secretary Simon on the importance of avoiding such action.

Toward this objective, Minister Simonsen informed Secretary Simon of the Brazilian Government's decision to adjust export incentives on soybean oil exports. As a result of this action, Secretary Simon indicated he did not believe that a complaint by U.S. producers would be filed under Section 301 of the Trade Act and that the issue has been satisfactorily resolved.

Recognizing the importance to relations between the U.S. and Brazil of avoiding disagreements over incentives and countervailing policy, Minister Simonsen and Secretary Simon agreed to consult fully on incentive-countervail issues. As for any U.S. investigations of countervailing complaints concerning Brazilian exports Secretary Simon indicated that the U.S. will consult with the Brazilian Government on all aspects of any such cases.

The Minister and the Secretary also agreed that both Governments should discuss marketing and ways to promote demand and usage of soybeans, soybean meal and soybean oil.

Minister Simonsen and Secretary Simon agreed that the above measures represent a major contribution toward the development of a sound and dynamic trading relationship between the United States and Brazil. They agreed that a hospitable climate for investment and capital flows was also of great importance. In this connection, the Secretary and the Minister agreed on the importance of a treaty between the two countries to avoid double taxation, and agreed that their tax experts should meet in the near future to discuss the provisions that might be incorporated in such a tax treaty.

Secretary Simon discussed with the Brazilian Ministers Brazil's development plans and prospects, and in particular, capital projects under consideration in Brazil which could be facilitated by U.S. investment. Secretary Simon expressed his belief that U.S. investment in Brazil, which now exceeds over \$3 billion, will continue to grow and make a significant contribution to Brazil's development efforts. He agreed to bring key Brazilian projects to the attention of the private sector in the United States.

Secretary Simon noted that the sharp increases in oil prices has shifted the pattern of the world's surplus investment funds. He expressed his belief that this shift has created important opportunities for countries such as Brazil, as it seeks capital to develop a viable rapidly growing industrial/agricultural economy. Secretary Simon and Minister Simonsen agreed on the importance of close collaboration to maximize these opportunities. They agreed to work together to facilitate tripartite investments, joining U.S. and Brazilian enterprises in partnership with the oil-producing countries for productive investments in Brazil, for the benefit of each of the parties. The Secretary and the Minister agreed that the opportunities for bilateral and tripartite investment in Brazil were extensive.

Minister Simonsen explained to Secretary Simon the programs and policies Brazil has undertaken to consolidate its economic accomplishments and to attain internal and external equilibrium for the long-term. The Minister expressed his concern about the existing deficit for Brazil in the trade balance with the United States, and his desire that trade equilibrium be achieved through the increase of Brazilian exports to the U.S. market. Secretary Simon expressed his view that Brazil's economic prospects remained highly favorable. Secretary Simon felt that Brazilian economic policies should be effective in achieving greater price stability and equilibrium in Brazil's balance of payments position, and that these efforts merited the confidence of foreign investors and lending institutions.

During their meetings, Secretary Simon and Minister Simonsen also exchanged views on conditions prevailing in the major foreign exchange markets of the world and on other topics of current interest in the international monetary area. They also discussed the policies and prospects of the international financial institutions.

Secretary Simon and Minister Simonsen agreed on the importance of continuing the dialogue between them on issues of major significance in the economic and financial area. Within the framework of the memorandum of understanding signed in Brasilia February 21, 1976,¹ and to underscore the importance of continued consultations and to provide a more formal mechanism in which these discussions can take place, the Ministers agreed to establish and co-chair a consultative group on trade, investment, and financial issues within the area of responsibility of the Department of Treasury and of the Ministry of Finance. The Ministers will designate Co-Executive Secretaries for support of the Consultative Group.

In concluding his visit to Brasilia, Secretary Simon indicated to Minister Simonsen that in his view the measures that he and Minister Simonsen had agreed upon during his visit represented a significant development in the overall relationship between the two countries, heralding the prospect for broader and more intensive ties between the United States and Brazil that would prove of substantial benefit to

¹ TIAS 8240; *ante*, p. 1034.

the two countries. Secretary Simon expressed his government's determination to build on the impressive framework of the current relationship between the U.S. and Brazil and to add to the accomplishments which had resulted from his visit and the visit of Secretary Kissinger earlier this year. Minister Simonsen agreed that the economic relationship between the United States and Brazil had been enhanced as a result of Secretary Simon's visit and expressed his conviction that the measures they have announced today will be of major benefit to both countries.

**ORGANIZATION FOR ECONOMIC COOPERATION
AND DEVELOPMENT**

Reimbursement of Income Taxes

*Agreement effected by exchange of letters
Signed at Paris September 14 and 15, 1976;
Entered into force January 1, 1977.*

The United States Representative to the Organization for Economic Cooperation and Development to the Secretary-General, Organization for Economic Cooperation and Development

UNITED STATES REPRESENTATIVE
TO THE
ORGANIZATION FOR
ECONOMIC COOPERATION AND DEVELOPMENT

19, RUE DE FRANQUEVILLE
PARIS XVI^e FRANCE
September 14, 1976

His Excellency
Emile van Lennep
Secretary-General of the
Organization for Economic
Cooperation and Development
Chateau de la Muette
75016 Paris

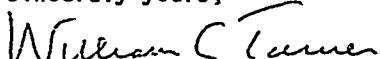
Dear Mr. Secretary-General

I have been authorized to inform you that the United States Government can reimburse the Organization for Economic Cooperation and Development for the sums utilized to reimburse personnel subject to payment of United States Income Tax in order to equalize the remuneration of such personnel and that of staff members of the OECD not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure

"The United States Government understands that the Organization for Economic Cooperation and Development (OECD) will reimburse OECD staff members who are U.S. citizens, or otherwise liable to pay U.S. Income Taxes, for any U.S. Income Taxes paid on their OECD income through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to the OECD to compensate this special suspense account. This charge will cover actual reimbursements made by the OECD to employees subject to U.S. Income Taxes. This agreement does not cover OECD employees paid from voluntary funds."

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the Organization for Economic Cooperation and Development formalizing the tax reimbursement procedure which will enter into force as of January 1, 1977

Sincerely yours,


William C. Turner
Ambassador

The Secretary-General, Organization for Economic Cooperation and Development, to the United States Representative to the Organization for Economic Cooperation and Development

OCDE

ORGANISATION DE COOPÉRATION
ET DE DÉVELOPPEMENT ÉCONOMIQUES

Telephone 524 82 00

Telexgrammes . DEVELOPECONOMIE

Le Secrétaire général
The Secretary-General

EL- 2147

OECD

ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

2, rue André Pascal, PARIS-XVI

15th September, 1976

Sir,

Thank you for your letter of 14th September, 1976 proposing a formal agreement by which the United States Government will compensate the Organisation for Economic Cooperation and Development for the sums utilised to reimburse U.S. income taxes incurred by its staff members paid under its regular budget. You proposed agreement to the following text, which would establish the procedure.

"The United States Government understands that the Organisation for Economic Cooperation and Development (OECD) will reimburse OECD staff members who are U.S. citizens, or otherwise liable to pay U.S. income taxes for any U.S. income taxes paid on their OECD income through a special suspense account. The U.S. Government will be obliged to pay a tax equalization charge as part of its annual payment to the OECD to compensate this special suspense account. This charge will cover actual reimbursements made by the OECD to employees subject to U.S. income taxes. This agreement does not cover OECD employees paid from voluntary funds."

His Excellency,
Mr William C. Turner,
Head of the United States Delegation
to the OECD,
19, rue de Franqueville
75016 Paris

I am happy to indicate my concurrence in the above text, on the understanding that it concerns all U.S. income taxes levied on OECD income, and my acceptance that this exchange of letters constitutes the agreement between the United States Government and the Organisation for Economic Cooperation and Development formalising the tax reimbursements procedure which will enter into force as of 1st January, 1977

Accept, Sir, the assurances of my highest consideration.


Emile van Lennep

WORLD METEOROLOGICAL ORGANIZATION

Reimbursement of Income Taxes

*Agreement effected by exchange of letters
Signed at Geneva May 11 and September 24, 1976;
Entered into force January 1, 1977.*

The American Chargé d'Affaires ad interim, United States Mission to International Organizations, to the Secretary-General, World Meteorological Organization

MAY 11, 1976

SECRETARY-GENERAL
World Meteorological
Organization
Case postale no. 5
1211 Geneva 20

DEAR DR. DAVIES,

I have been authorized to inform you that the United States Government can reimburse the World Meteorological Organization for the sums utilized to reimburse personnel subject to payment of U.S. income tax in order to equalize the remuneration between such personnel and staff members of the WMO not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure:

The United States Government understands the World Meteorological Organization (WMO) will reimburse WMO staff members who are U.S. citizens or otherwise liable to pay U.S. income taxes for any U.S. income taxes levied on their WMO income, through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to the WMO to compensate this special suspense account. This charge will cover actual reimbursements made by the WMO to employees subject to U.S. income taxes. This agreement does not cover WMO employees paid from voluntary funds.

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the World

Meteorological Organization formalizing the tax reimbursement procedure which will enter into force as of January 1, 1977.

Sincerely yours,

MANUEL ABRAMS

Manuel Abrams

Charge d'Affaires, a.i.

The Secretary-General, World Meteorological Organization, to the American Ambassador, United States Mission to International Organizations

ORGANISATION MÉTÉOROLOGIQUE
MONDIALE

WORLD METEOROLOGICAL
ORGANIZATION

SECRÉTARIAT
GENÈVE-SUISSE

CASE POSTALE N° 5
CH-1211 GENÈVE 20

In reply refer to / Dans la réponse, mentionner
N° 26.992/A/FCD

Please address all replies to the Secretary-General
Veuillez adresser votre réponse au Secrétaire général

Annexes:

GENÈVE, 24 September 1976

DEAR MR. AMBASSADOR,

I acknowledge with thanks receipt of your letter of 11 May 1976 concerning the terms of a formal agreement to be concluded between the United States Government and the World Meteorological Organization by which the United States will compensate the World Meteorological Organization for sums utilized to reimburse U.S. income tax incurred by its staff members paid under its regular budget. In your letter you proposed a formal agreement establishing the procedure, the text of which reads as follows:

"The United States Government understands the World Meteorological Organization (WMO) will reimburse WMO staff members who are U.S. citizens or otherwise liable to pay U.S. income taxes for any U.S. income taxes levied on their WMO income, through a special suspense account. The United States Government will be obligated to pay a tax equalization charge as part of its annual payment to the WMO to compensate this special suspense account.

This charge will cover actual reimbursements made by the WMO to employees subject to U.S. income taxes. This agreement does not cover WMO employees paid from voluntary funds."

I am pleased to convey my agreement to the above text and my acceptance that this exchange of letters constitutes the agreement between the United States Government and the World Meteorological Organization formalizing the tax reimbursement procedure which will enter into force on 1 January 1977. The World Meteorological Organization will submit as from that date and through the United States Mission to International Organizations, Geneva (Switzerland) claims for all reimbursements made to U.S. citizens employed by the Organization in 1977 and subsequent years.

May I take this opportunity to thank you for the attention you and your Government have given to this matter.

Yours sincerely,

D A. DAVIES

(D. A. Davies)
Secretary-General

His Excellency

Mr. HENRY E. CATTO, JR.

Ambassador,

United States Mission to

International Organizations,

Rue de Lausanne 80,

UNIVERSAL POSTAL UNION

Reimbursement of Income Taxes

*Agreement effected by exchange of letters
Signed at Geneva and Bern May 25 and 26, 1976;
Entered into force May 26, 1976;
Effective January 1, 1975.*

*The American Chargé d'Affaires ad interim, United States Mission to
International Organizations, to the Director General, Universal Postal
Union*

MAY 25, 1976

The Honorable M. I. SOBHI
Director General
Universal Postal Union
Bern, Switzerland

DEAR MR. DIRECTOR GENERAL.

I have been authorized to inform you that the United States Government can reimburse the Universal Postal Union for the sums utilized to reimburse personnel subject to payment of U.S. income tax in order to equalize the remuneration between such personnel and staff members of the UPU not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure:

"The United States Government understands the Universal Postal Union (UPU) will reimburse UPU staff members who are U.S. citizens or otherwise liable to pay U.S. income taxes levied on their UPU income, through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to the UPU to compensate this special suspense account. This charge will cover actual reimbursements made by the UPU to employees subject to U.S. income taxes. This agreement does not cover UPU employees paid from voluntary funds."

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the Uni-

versal Postal Union, formalizing the tax reimbursement procedure which will enter into force retroactively to January 1, 1975.

Sincerely,

MANUEL ABRAMS

Manuel Abrams
Chargé d'Affaires, a.i.

The Director General, Universal Postal Union, to the American Chargé d'Affaires ad interim, United States Mission to International Organizations

UNION POSTALE UNIVERSELLE
LE DIRECTEUR GÉNÉRAL DU BUREAU
INTERNATIONAL

8000 BERNE 15
WELTPOSTSTRASSE 4

26 MAY 1976

The Honorable
MANUEL ABRAMS
Chargé d'affaires
United States Mission
80, rue de Lausanne
1202 Geneva

DEAR MR. ABRAMS,

I wish to acknowledge your letter of 25 May 1976, in which you set forth the text proposed by the Department of State to establish a procedure for the refund to the Universal Postal Union (UPU) of the sums reimbursed by the Union to its staff members in respect of United States income tax.

This letter will serve to indicate my concurrence with the text proposed by the Department of State and the exchange of letters will serve to regulate the tax reimbursement procedure between the Government of the United States and the Universal Postal Union with effect from 1 January 1975.

Yours sincerely,

M. I. SOBHI
M. I. Sobhi

WORLD INTELLECTUAL PROPERTY ORGANIZATION

Reimbursement of Income Taxes

*Agreement effected by exchange of letters
Signed at Geneva September 7 and 15, 1976;
Entered into force September 15, 1976;
Effective January 1, 1976.*

The United States Permanent Representative to International Organizations to the Director General, World Intellectual Property Organization

UNITED STATES MISSION TO INTERNATIONAL ORGANIZATIONS
GENEVA, SWITZERLAND

SEPTEMBER 7, 1976

The Honorable
ARPAD BOGSCH
Director General
World Intellectual
Property Organization
32, chemin des Colombettes
1211 Geneva 20

DEAR MR. DIRECTOR GENERAL.

I have been authorized to inform you that the United States Government can reimburse the World Intellectual Property Organization for the sums utilized to reimburse personnel subject to payment of U.S. income tax in order to equalize the remuneration between such personnel and staff members of WIPO not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure.

"The United States Government understands the World Intellectual Property Organization (WIPO) will reimburse WIPO staff members who are U.S. citizens or otherwise liable to pay U.S. income taxes levied on their WIPO income, through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to WIPO to compensate this special suspense account. This charge will cover actual reimburse-

(4135)

TIAS 8439

ments made by WIPO to employees subject to U.S. income taxes. This agreement does not cover WIPO employees paid from voluntary funds."

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the World Intellectual Property Organization, formalizing the tax reimbursement procedure which will enter into force retroactively to January 1, 1976.

Sincerely yours,

HENRY E CATTO, Jr

Henry E. Catto, Jr.

*U.S. Permanent Representative
to International Organizations*

*The Director General, World Intellectual Property Organization, to the
United States Permanent Representative to International Organizations*

WORLD INTELLECTUAL PROPERTY ORGANIZATION
ORGANISATION MONDIALE DE LA PROPRIÉTÉ INTELLECTUELLE

60(59)-17

SEPTEMBER 15, 1976

DEAR MR. AMBASSADOR,

I wish to acknowledge receipt of your letter of September 7, 1976, whereby you propose the following formal agreement establishing a tax reimbursement procedure:

"The United States Government understands the World Intellectual Property Organization (WIPO) will reimburse WIPO staff members who are U.S. citizens or otherwise liable to pay U.S. income taxes levied on their WIPO income, through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to WIPO to compensate this special suspense account. This charge will cover actual reimbursements made by WIPO to employees subject to U.S. income taxes. This agreement does not cover WIPO employees paid from voluntary funds."

I hereby express concurrence with the foregoing text and, as expressed by you, my letter of today's date and your letter of September 7, 1976, constitute the agreement between the United States Government and the World Intellectual Property Organization (WIPO), formalizing the tax reimbursement procedure which will enter into force retroactively from January 1, 1976.

May I take this opportunity to thank you for the attention which has been given by the authorities of the United States Government

to this matter and to express my appreciation for the timely and direct arrangements which your Government has formulated on the subject.

Sincerely yours,

A BOGSCH

Arpad Bogsch
Director General

His Excellency

Mr. HENRY E. CATTO, JR.

*Ambassador and U.S. Permanent
Representative to International
Organizations*

*United States Mission to
International Organizations
30, rue de Lausanne
1211 Genève 21*

32, CHEMIN DES COLOMBETTES — 1211 GENÈVE 20 (SUISSE)

SOCIALIST REPUBLIC OF ROMANIA

Certificates of Airworthiness for Imported Civil Glider Aircraft

*Agreement effected by exchange of notes
Signed at Washington December 7, 1976;
Entered into force December 7, 1976.*

The Romanian Ambassador to the Acting Secretary of State

EMBASSY OF THE
SOCIALIST REPUBLIC OF ROMANIA
WASHINGTON, D.C.

WASHINGTON, D.C., December 7th 1976

DEAR ACTING SECRETARY OF STATE:

I have the honor to refer to the discussions which have recently taken place between the representatives of the Government of the Socialist Republic of Romania and the Government of the United States of America regarding reaching an understanding concerning the reciprocal acceptance of certificates of airworthiness for imported civil glider aircraft.

It is my understanding that the Agreement shall be as follows:

1.a.—The present Agreement applies to civil glider aircraft constructed in the Socialist Republic of Romania and exported to the United States of America, and to civil glider aircraft constructed in the United States of America and exported to the Socialist Republic of Romania.

b.—As used hereinafter, the term "civil glider aircraft" shall include both the gliders and the spare parts for such gliders.

c.—In accordance with their own regulations, the two Governments have designated, for the implementation of the provisions of this Agreement, the following competent authorities:

—Department of Civil Aviation for the Socialist Republic of Romania.

—Federal Aviation Administration for the United States of America.

2. The same validity shall be conferred by the competent authority of the Socialist Republic of Romania on certificates of airworthiness for export issued by the competent authority of the United States for civil glider aircraft subsequently to be registered in the Socialist Republic of Romania as if they had been issued under the regulations in force on the subject in the Socialist Republic of Romania, provided that such civil glider aircraft have been constructed in the United States of America and the competent authority of the United States of America has certified that the type design of the civil glider aircraft complies with the airworthiness requirements of the United States of America together with any special conditions prescribed in accordance with paragraph 6, and has certified that the particular civil glider aircraft conform to such type design.

3. The same validity shall be conferred by the competent authority of the United States of America on certificates of airworthiness for export issued by the competent authority of the Socialist Republic of Romania for civil glider aircraft subsequently to be registered in the United States of America as if they had been issued under the regulations in force on the subject in the United States of America, provided that such civil glider aircraft have been constructed in the Socialist Republic of Romania, and the competent authority of the Socialist Republic of Romania has certified that the type design of the civil glider aircraft complies with the airworthiness requirements of the Socialist Republic of Romania together with any special conditions prescribed in accordance with paragraph 6, and has certified that the particular civil glider aircraft conform to such type design.

4.a.—The competent authority of the Socialist Republic of Romania shall arrange for the effective communication to the competent authority of the United States of America of particulars of compulsory modifications prescribed in the Socialist Republic of Romania, for the purpose of enabling the authority of the United States of America to require these modifications to be made to civil glider aircraft of the types affected, whose certificates have been validated by them.

b.—In the case of civil glider aircraft for which the Socialist Republic of Romania has issued certificates of airworthiness for export, subsequently validated by the United States of America, the competent authority of the Socialist Republic of Romania shall, when requested, afford the competent authority of the United States of America assistance in determining that major design changes or major repairs made to such civil glider aircraft comply with the applicable airworthiness requirements of the Socialist Republic of Romania.

5.a.—The competent authority of the United States of America shall arrange for the effective communication to the competent authority of the Socialist Republic of Romania of particulars of compulsory modifications prescribed in the United States of America, for the purpose of enabling the authority of the Socialist Republic of

Romania to require these modifications to be made to civil glider aircraft of the types affected, whose certificates have been validated by them.

b.-In the case of civil glider aircraft for which the United States of America has issued certificates of airworthiness for export, subsequently validated by the Socialist Republic of Romania, the competent authority of the United States of America shall, when requested, afford the competent authority of the Socialist Republic of Romania assistance in determining that major design changes or major repairs made to such civil glider aircraft comply with the applicable airworthiness requirements of the United States of America.

6.a-The competent authority of each country shall have the right to make the validation of certificates of airworthiness for export dependent upon the fulfillment of any special conditions which are for the time being required by them for the issuance of certificates of airworthiness in their own country. Information concerning special conditions of the importing country will be communicated to the competent authority of the exporting country in the most timely manner possible.

b.-The competent authority of each country shall keep the competent authority of the other country fully and currently informed of all regulations in force in regard to the airworthiness of civil glider aircraft and any changes therein that may from time to time be effected.

7 The question of interpretation or procedure to be followed in the application of the provisions of the present Agreement shall be the subject of direct correspondence, whenever necessary, between the competent authorities of the Socialist Republic of Romania and the United States of America.

8.a.-The present Agreement shall remain in force for an indefinite period of time.

b.-Either Government may at any time notify the other Government of its decision to terminate the present Agreement. Termination shall be effective after 6 (six) months from the date on which notification of termination is received, provided that the notification of termination may be withdrawn by mutual agreement before the expiration of this period. Upon receipt of a notification of termination, the Government receiving such notification should notify the other Government of the date of receipt of the notification. In the absence of such acknowledgement, the notification shall be deemed to have been received 45 days after the date on which it was sent.

Upon the receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the United States of America, the Government of the Socialist Republic of Romania will consider that this note and your reply thereto constitute an Agreement between our two Governments on this subject, the Agreement to enter into force on the date of your reply note.

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

N NICOLAE

Nicolae M. Nicolae
Ambassador

The Honorable

CHARLES W. ROBINSON

Acting Secretary of State

Department of State

Washington, D.C. 20520

The Acting Secretary of State to the Romanian Ambassador

DEC. 7, 1976.

EXCELLENCY.

I have the honor to refer to your note dated December 7, 1976 relating to the reciprocal acceptance of certificates of air worthiness for imported civil glider aircraft. The provisions set forth therein are acceptable to the Government of the United States of America. Accordingly your note and the present note shall constitute an agreement between our two Governments on this subject which shall enter into force on today's date.

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

For the Acting Secretary of State.

JULIUS L. KATZ

His Excellency

NICOLAE NICOLAE,

Ambassador of the

Socialist Republic of Romania.

SOCIALIST REPUBLIC OF ROMANIA

Air Transport Services

Agreement extending the agreement of December 4, 1973.

Effectuated by exchange of notes

Dated at Bucharest October 28 and 30, 1976;

Entered into force October 30, 1976.

The American Embassy to the Romanian Ministry of Foreign Affairs

Note No. 68

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Socialist Republic of Romania and has the honor to refer to paragraph 4 of the Annex to the Air Transport Agreement^[1] between the Governments of the Socialist Republic of Romania and the United States of America. After a careful review of the current status of the civil aviation relationship between our two countries, the United States Government has noted a considerable imbalance of economic benefits in favor of the Romanian side. The United States Government believes the imbalance is primarily due to inability of the US-designated airline fully to apply the provisions of Article XIV of the Agreement and finds the continuation of the current imbalance undesirable. The United States Government suggests that the designated airlines of both countries discuss at an early date measures by which the imbalance can be reduced. In order to provide the necessary time for these discussions, the United States Government proposes that the current Air Transport Agreement be extended through March 31, 1977. If the Government of the Socialist Republic of Romania agrees that inter-airline discussion be undertaken to reduce the current imbalance of economic benefits, and, that the Air Transport Agreement should be extended until March 31, 1977 to provide an opportunity for these discussions, its response to that effect would, together with this note, constitute an agreement extending the present Air Transport Agreement until March 31, 1977.

In anticipation of successful discussion among the designated airlines, the United States Government is prepared to meet with a delegation from the Government of the Socialist Republic of Romania,

¹ TIAS 7901, 25 UST 1663.

if necessary, to discuss the extension of the Air Transport Agreement beyond March 31, 1977.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Socialist Republic of Romania the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA

BUCHAREST, October 28, 1976

The Romanian Ministry of Foreign Affairs to the American Embassy

REPUBLICA SOCIALISTA ROMÂNIA
MINISTERUL AFACERILOR EXTERNE

Nr. 07/4193

Ministerul Afacerilor Externe al Republicii Socialiste România prezintă complimentele sale Ambasadei Statelor Unite ale Americii la Bucureşti și, referindu-se la Nota Verbală a Ambasadei nr.68 din 28 octombrie 1976, are onoarea a-I confirma că partea română acceptă propunerea părții americane ca Acordul între guvernul Republicii Socialiste România și guvernul Statelor Unite ale Americii privind transporturile aeriene civile să rămînă în vigoare pînă al 31 martie 1977, pentru a se asigura posibilitatea organizării discuțiilor între organele competente ale celor două părți, conform paragrafului 4 din Anexa la Acordul menționat.

Organele române competente au fost și sunt de acord să poarte discuții cu organele de resort ale SUA cît mai curînd posibil la București și așteaptă propunerile părții americane asupra datei.

Partea română este de acord să considere că Nota Verbală a Ambasadei și prezenta Notă Verbală constituie înțelegerea pentru prelungirea, pînă la 31 martie 1977, a Acordului privind transporturile aeriene precum și pentru organizarea discuțiilor conform punctului 4 al Anexei la acest Acord.

Ministerul Afacerilor Externe al Republicii Socialiste România folosește acest prilej pentru a reînnoi Ambasadei Statelor Unite ale Americii la București asigurarea finalitățile sale considerații.

BUCUREȘTI, 30 octombrie 1976

[SEAL]

AMBASADEI STATELOR UNITE
ALE AMERICII

Translation

SOCIALIST REPUBLIC OF ROMANIA
MINISTRY OF FOREIGN AFFAIRS

No. 07/4193

The Ministry of Foreign Affairs of the Socialist Republic of Romania presents its compliments to the Embassy of the United States of America at Bucharest and, referring to the Embassy's Note Verbale no. 68, of October 28, 1976, has the honor to confirm that the Romanian side accepts the proposal of the American side that the Air Transport Agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America remain in force until March 31, 1977, in order to provide an opportunity for organizing discussions between the competent agencies of the two sides, pursuant to paragraph 4 of the Annex to the aforesaid Agreement.

The competent Romanian agencies have been and are in agreement that discussions should be held with the appropriate agencies of the U.S.A. at Bucharest as soon as possible and are awaiting proposals from the American side regarding the date.

The Romanian side agrees that the Note Verbale of the Embassy and this Note Verbale shall constitute an understanding to extend the Air Transport Agreement until March 31, 1977 and to organize discussions pursuant to paragraph 4 of the Annex to this Agreement.

The Ministry of Foreign Affairs of the Socialist Republic of Romania avails itself of this opportunity to renew to the Embassy of the United States of America at Bucharest the assurance of its high consideration.

BUCHAREST, October 30, 1976

[SEAL]

THE EMBASSY OF THE
UNITED STATES OF AMERICA

JAPAN

Trade: Specialty Steel Imports

*Agreement effected by exchange of notes
Signed at Washington June 11, 1976;
Entered into force June 11, 1976.
With related note and agreed minutes.
And amending agreements
Effectuated by exchange of letters
Signed at Washington September 10, 1976;
Entered into force September 10, 1976;
Effective September 17, 1976.
And exchange of letters
Signed at Washington September 28, 1976;
Entered into force September 28, 1976;
Effective September 30, 1976.
And exchange of letters
Signed at Washington September 30, 1976;
Entered into force September 30, 1976.
And exchange of letters
Signed at Washington October 29, 1976;
Entered into force October 29, 1976;
Effective November 21, 1976.*

*The Special Representative for Trade Negotiations to the Japanese
Ambassador*

JUNE 11, 1976

EXCELLENCY,

I have the honour to refer to the recent discussions held under Article XIX of the General Agreement on Tariffs and Trade [¹] between the representatives of the Government of the United States of America and of the Government of Japan during which the Government of the United States of America informed the Government of Japan of import relief measures for specialty steel to be taken by the Government of the United States of America in accordance with sec. 203(a) of the Trade Act of 1974. [²] I have further the honour to

¹ TIAS 1700; 61 Stat., pt. 5, p. A58.

² 88 Stat. 2015; 19 U.S.C. § 2253.

confirm that the Government of the United States of America will implement its obligations under the following provisions:

1. (a) The Government of the United States of America will limit imports from Japan of the categories of specialty steel as set forth in Annex A (hereinafter referred to as "the categories") for the period of three years beginning June 14, 1976. In the event that restraint levels as defined in Annex D(b) are reached in any category or categories prior to the end of a restraint period as set forth in Annex B, the Government of the United States of America, unless otherwise mutually agreed, will delay further importation in the categories affected until after the end of that restraint period.

(b) Imports will be counted against restraint levels on the basis of date of entry, or withdrawal from warehouse, for consumption.

(c) The Government of the United States of America will not limit imports from Japan of the categories below the restraint levels therefor.

(d) Imports from Japan of each category during the first half of a restraint period will not exceed 60 percent of the base limit as defined in Annex D(a), or the base limit as adjusted during the first half of the restraint period pursuant to paragraph 3, unless otherwise mutually agreed.

2. (a) If imports from Japan of any category appear likely to exceed the restraint level, or 60 percent thereof in the first half of a restraint period, the Government of the United States of America will endeavor to notify the Government of Japan to that effect.

(b) Should it become necessary for the Government of the United States of America to delay importation in any category due to filling of the restraint level, as much prior notification as possible will be given to the Government of Japan.

3. (a) Any base limit as defined in Annex D(a) may be exceeded in a restraint period by no more than the percentage of that base limit as set forth in Annex C, provided that there is an equal tonnage reduction in the base limit for one or more other categories in the same period.

(b) Following notification by the Government of Japan at the earliest possible date of its intention concerning subparagraph (a) above, the Government of the United States of America will make an appropriate adjustment of the applicable base limits, consistent with Annex C.

4. (a) For each category having a shortfall, carryover will be permitted by up to 4 percent of the base limit for the restraint period in which the shortfall occurs, but not in excess of the actual shortfall. Shortfalls in one category may not be applied to any other category. Such carryover will be permitted only during the first thirty days of the restraint period following the one in which the shortfall occurs.

(b) For the purpose of this paragraph, a shortfall occurs when imports of any category from Japan during any restraint period are below the base limit for that category.

(c) If, in accordance with the provisions of paragraph 3, all or part of a base limit of any category has been reallocated to the base limit of one or more other categories, such amounts will not be considered a shortfall and hence not available for carryover.

5. If the Government of Japan considers that as a result of the application of the provisions of this Note, Japan is placed in an inequitable position vis-a-vis third countries in respect of specialty steel imports into the United States, the Government of Japan may request consultations with the Government of the United States of America.

6. (a) Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising out of the implementation of the provisions of this Note, including differences in procedure or operation.

(b) The two Governments may amend the provisions of this Note, if such amendments are mutually agreeable.

7. (a) No provision of this Note will be construed as affecting the respective positions of the two Governments with respect to paragraphs 3(c) and 3(d) of the Declaration of Ministers approved at Tokyo on 14 September, 1973.^[1]

(b) No provision of this Note will be construed as applying to prices or production of specialty steel, or allocation of shipments among firms selling or buying specialty steel.

8. (a) Either Government may request consultations on any matters arising from the provisions of this Note. Such consultations will take place at a mutually convenient time not later than thirty days from the date on which such request is made, unless otherwise mutually agreed.

(b) If, in the view of either Government, the economic conditions prevailing at the time of the recent discussions mentioned above have changed substantially, that Government may initiate consultations for the purpose of discussing the possibility of liberalizing or terminating the import relief measures referred to in the provisions of this Note prior to the expiration of the period of three years.

(c) Either Government may terminate the provisions of this Note in their entirety by giving sixty-days' written notice to the other Government.

9. The reciprocal rights and obligations of the two Governments under the General Agreement on Tariffs and Trade will be reserved while the provisions of this Note remain in effect. For the purpose of the time limitation as set forth in Article XIX(3)(a) of the General Agreement on Tariffs and Trade, the period of ninety days will be considered to begin on the date of termination of the provisions of this Note in their entirety and continue so long as import relief measures by the Government of the United States of America on all or part of the categories remain in force.

¹ *Department of State Bulletin*, Oct. 8, 1973, p. 445.

10. (a) The Government of Japan will provide promptly to the Government of the United States of America monthly data on exports of the categories to the United States.

(b) The Government of the United States of America will provide promptly to the Government of Japan monthly data on imports of the categories from Japan.

I have further the honour to request you to confirm on behalf of the Government of Japan that it will implement its obligations under the above provisions and to propose that this Note and Your Excellency's Note in reply will constitute an agreement between the two Governments as characterized in the above provisions.

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

FREDERICK E. DENT

Frederick B. Dent
Special Representative for
Trade Negotiations

His Excellency

FUMIHIKO Togo

*Ambassador Extraordinary and
Plenipotentiary of Japan*

Annex A

The following items from the Tariff Schedules of the United States Annotated (as revised May 1, 1976) are covered by the provisions of the Note and are included in the five basic categories used for setting base limits:

<i>Category</i>	<i>Description and TSUSA Items</i>
I	Stainless Steel Sheet and Strip 608.85 40 608.88 40 609.06 30 609.07 20 609.08 20
II	Stainless Steel Plate 608.85 10 608.89 10
III	Stainless Steel Bar 608.52 10 608.52 50

<i>Category</i>	<i>Description and TSUSA Items</i>				
IV	Stainless Steel Rod				
	608.76	20			
	608.78	20			
V	Alloy Tool Steel				
	608.52	20	608.78	60	
	608.52	30	608.85	06	
	608.52	60	608.88	06	
	608.52	70	609.06	65	
	608.76	40	609.07	65	
	608.76	60	609.08	65	
	608.78	40			

Annex B

The base limits for the five basic categories will apply for the restraint periods as follows:

Thousands of Short Tons

Restraint Period	Stainless Steel			Alloy Tool Steel	Total Specialty Steel
	Sheet and Strip	Plate	Bar		
June 14, 1976 to June 13, 1977	38.6	5.6	13.0	5.7	66.4
June 14, 1977 to June 13, 1978	38.9	5.9	14.0	5.9	68.4
June 14, 1978 to June 13, 1979	39.8	6.3	14.5	6.0	70.4

Annex C

Maximum percentage increases in base limits of receiving categories, as referred to in paragraph 3 of the Note, are as follows:

Restraint Period	Stainless Steel			Alloy Tool Steel	
	Sheet and Strip	Plate	Bar	Rod	
June 14, 1976—June 13, 1977	10	1	1	1	1
June 14, 1977—June 13, 1978	10	1	3	3	3
June 14, 1978—June 13, 1979	10	1	3	3	3

Annex D

For the purposes of the provisions of the Note:

(a) The term "base limit" means the amount of imports of a category of specialty steel from Japan into the United States in short tons as set forth in Annex B that may be entered, or withdrawn from warehouse, for consumption in any restraint period, prior to any adjustment allowed under paragraph 3 of the Note.

(b) The term "restraint level" means a base limit referred to in (a) above with adjustment, if any, pursuant to the provisions of paragraph 3 of the Note.

(c) The term "imports" refers to United States imports classified under the items listed in Annex A entered for consumption (encompassing transshipments through third countries and shipments diverted to the United States market while in transit; informal entries (valued at less than \$250); temporary imports under bond; re-imports of items exported for processing (TSUSA806.30); and United States Government imports).

(d) The term "restraint period" means a twelve-month period running from June 14 of one year through June 13 of the subsequent year.

The Japanese Ambassador to the Special Representative for Trade Negotiations

EMBASSY OF JAPAN
WASHINGTON

June 11, 1976

Excellency:

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date which reads as follows:

"Excellency,

"I have the honour to refer to the recent discussions held under Article XIX of the General Agreement on Tariffs and Trade between the representatives of the Government of the United States of America and of the Government of Japan during which the Government of the United States of America informed the Government of Japan of import relief measures for specialty steel to be taken by the Government of the United States of America in accordance with sec.203.(a) of the Trade Act of 1974. I have further the honour to confirm that the Government of the United States of America will implement its obligations under the following provisions:

"1. (a) The Government of the United States of America will limit imports from Japan of the categories of specialty steel as set forth in Annex A (hereinafter referred to as 'the categories') for the period of three years beginning June 14, 1976. In the event that restraint levels as defined in Annex

..
His Excellency
Frederick B. Dent
The Special Representative
for Trade Negotiations

TIAS 8442

D (b) are reached in any category or categories prior to the end of a restraint period as set forth in Annex B, the Government of the United States of America, unless otherwise mutually agreed, will delay further importation in the categories affected until after the end of that restraint period.

(b) Imports will be counted against restraint levels on the basis of date of entry, or withdrawal from warehouse, for consumption.

(c) The Government of the United States of America will not limit imports from Japan of the categories below the restraint levels therefor.

(d) Imports from Japan of each category during the first half of a restraint period will not exceed 60 percent of the base limit as defined in Annex D (a), or the base limit as adjusted during the first half of the restraint period pursuant to paragraph 3, unless otherwise mutually agreed.

"2. (a) If imports from Japan of any category appear likely to exceed the restraint level, or 60 percent thereof in the first half of a restraint period, the Government of the United States of America will endeavor to notify the Government of Japan to that effect.

(b) Should it become necessary for the Government of the United States of America to delay importation in any category due to filling of the restraint level, as much prior notification as possible will be given to the Government of Japan.

"3. (a) Any base limit as defined in Annex D (a) may be exceeded in a restraint period by no more than the percentage of that base limit as set forth in Annex C, provided that there is an equal tonnage reduction in the base limit for one or more

other categories in the same period.

(b) Following notification by the Government of Japan at the earliest possible date of its intention concerning subparagraph (a) above, the Government of the United States of America will make an appropriate adjustment of the applicable base limits, consistent with Annex C.

"4. (a) For each category having a shortfall, carryover will be permitted by up to 4 percent of the base limit for the restraint period in which the shortfall occurs, but not in excess of the actual shortfall. Shortfalls in one category may not be applied to any other category. Such carryover will be permitted only during the first thirty days of the restraint period following the one in which the shortfall occurs.

(b) For the purpose of this paragraph, a shortfall occurs when imports of any category from Japan during any restraint period are below the base limit for that category.

(c) If, in accordance with the provisions of paragraph 3, all or part of a base limit of any category has been reallocated to the base limit of one or more other categories, such amounts will not be considered a shortfall and hence not available for carryover.

"5. If the Government of Japan considers that as a result of the application of the provisions of this Note, Japan is placed in an inequitable position vis-à-vis third countries in respect of specialty steel imports into the United States, the Government of Japan may request consultations with the Government of the United States of America.

"6. (a) Mutually satisfactory administrative arrangements or

adjustments may be made to resolve minor problems arising out of the implementation of the provisions of this Note, including differences in procedure or operation.

(b) The two Governments may amend the provisions of this Note, if such amendments are mutually agreeable.

"7. (a) No provision of this Note will be construed as affecting the respective positions of the two Governments with respect to paragraphs 3(c) and 3(d) of the Declaration of Ministers approved at Tokyo on 14 September, 1973.

(b) No provision of this Note will be construed as applying to prices or production of specialty steel, or allocation of shipments among firms selling or buying specialty steel.

"8. (a) Either Government may request consultations on any matters arising from the provisions of this Note. Such consultations will take place at a mutually convenient time not later than thirty days from the date on which such request is made, unless otherwise mutually agreed.

(b) If, in the view of either Government, the economic conditions prevailing at the time of the recent discussions mentioned above have changed substantially, that Government may initiate consultations for the purpose of discussing the possibility of liberalizing or terminating the import relief measures referred to in the provisions of this Note prior to the expiration of the period of three years.

(c) Either Government may terminate the provisions of this Note in their entirety by giving sixty-days' written notice to the other Government.

"9. The reciprocal rights and obligations of the two Governments under the General Agreement on Tariffs and Trade will be reserved

while the provisions of this Note remain in effect. For the purpose of the time limitation as set forth in Article XIX (3) (a) of the General Agreement on Tariffs and Trade, the period of ninety days will be considered to begin on the date of termination of the provisions of this Note in their entirety and continue so long as import relief measures by the Government of the United States of America on all or part of the categories remain in force.

"10. (a) The Government of Japan will provide promptly to the Government of the United States of America monthly data on exports of the categories to the United States.

(b) The Government of the United States of America will provide promptly to the Government of Japan monthly data on imports of the categories from Japan.

"I have further the honour to request you to confirm on behalf of the Government of Japan that it will implement its obligations under the above provisions and to propose that this Note and Your Excellency's Note in reply will constitute an agreement between the two Governments as characterized in the above provisions.

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

"ANNEX A

The following items from the Tariff Schedules of the United States Annotated (as revised May 1, 1976) are covered by the provisions of the Note and are included in the five basic categories used for setting base limits:

<u>Category</u>	<u>Description and TSUSA Items</u>	
I	Stainless Steel Sheet and Strip	
	608.85 40	
	608.88 40	
	609.06 30	
	609.07 20	
	609.08 20	
II	Stainless Steel Plate	
	608.85 10	
	608.88 10	
III	Stainless Steel Bar	
	608.52 10	
	608.52 50	
IV	Stainless Steel Rod	
	608.76 20	
	608.78 20	
V	Alloy Tool Steel	
	608.52 20	608.78 60
	608.52 30	608.85 06
	608.52 60	608.88 06
	608.52 70	609.06 65
	608.76 40	609.07 65
	608.76 60	609.08 65
	608.78 40	

"ANNEX B

The base limits for the five basic categories will apply for the restraint periods as follows:

Restraint Period	Thousands of Short Tons						Total Specialty Steel
	Sheet and Strip	Stainless Steel Plate	Bar	Rod	Alloy Tool Steel		
June 14, 1976, to June 13, 1977	38.6	5.6	13.0	5.7	3.5		66.4
June 14, 1977 to June 13, 1978	38.9	5.9	14.0	5.9	3.7		68.4
June 14, 1978 to June 13, 1979	39.8	6.3	14.5	6.0	3.8		70.4

"ANNEX C

Maximum percentage increases in base limits of receiving categories, as referred to in paragraph 3 of the Note, are as follows:

Restraint Period	Sheet and Strip	Stainless Steel			Alloy Tool Steel
		Plate	Bar	Rod	
June 14, 1976-June 13, 1977	10	1	1	1	1
June 14, 1977-June 13, 1978	10	1	3	3	3
June 14, 1978-June 13, 1979	10	1	3	3	3

"ANNEX D

For the purposes of the provisions of the Note:

- (a) The term 'base limit' means the amount of imports of a category of specialty steel from Japan into the United States in short tons as set forth in Annex B that may be entered, or withdrawn from warehouse, for consumption in any restraint period, prior to any adjustment allowed under paragraph 3 of the Note.
- (b) The term 'restraint level' means a base limit referred to in (a) above with adjustment, if any, pursuant to the provisions of paragraph 3 of the Note.
- (c) The term 'imports' refers to United States imports classified under the items listed in Annex A entered for consumption (encompassing transshipments through third countries and shipments diverted to the United States market while in transit; informal entries (valued at less than \$250); temporary imports under bond; re-imports of items exported for processing (TSUSA806.30); and United States Government imports).
- (d) The term 'restraint period' means a twelve-month period running from June 14 of one year through June 13 of the subsequent year."

I have further the honour to confirm on behalf of the Government of Japan that it will implement its obligations under the above provisions and to agree that Your Excellency's

Note and this Note will constitute an agreement between
the two Governments as characterized in the above provisions.

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

Fumihiko Togo [1]
Ambassador Extraordinary and
Plenipotentiary of Japan

¹ Fumihiko Togo.

[RELATED NOTE]

EMBASSY OF JAPAN
WASHINGTON

June 11, 1976

Excellency:

On behalf of the Government of Japan, I have the honor to inform you of the intention of the Government of Japan that the rights under Article XIX (3) (a) of the General Agreement on Tariffs and Trade, if invoked by the Government of Japan after the termination of the effectiveness of the Notes exchanged, will not be exercised with respect to the import relief measures for specialty steel taken by the Government of the United States of America before such termination.

Fumio Ito
Ambassador Extraordinary and
Plenipotentiary of Japan

His Excellency
Frederick B. Dent
The Special Representative
for Trade Negotiations

Agreed Minutes

The representatives of the Government of Japan and of the Government of the United States of America wish to record the following understanding concerning the Notes exchanged on June 11, 1976.

1. It is understood that the content of the Notes exchanged does not prejudice the respective positions of the two Governments with respect to Article XIX(1) of the General Agreement on Tariffs and Trade.
2. Imports entering under the carryover provisions of paragraph 4 of the Notes exchanged will be counted as if entered in the restraint period in which the shortfall occurred.
3. It is intended that consultations under paragraph 8(b) of the Notes exchanged will be held in any case before the end of the 2nd restraint period.
4. Consultations under paragraph 8(a) of the Notes exchanged may cover the problem of spacing and possible amendments to the percentages for the 2nd and 3rd restraint periods provided for in Annex C to the Notes exchanged.
5. Consultations between the Government of Japan and the Government of the United States of America will be initiated by written notice to the Ministry of Foreign Affairs in the case of Japan and the Office of the Special Representative for Trade Negotiations in the case of the United States.
6. Japan will be allocated 45.2 percent of total specialty steel imports permitted from all sources into the United States in each restraint period. Any resulting increase in the amount of total specialty steel imports permitted from Japan by

applying this share will be added to the base limits for the stainless steel sheet and strip referred to in Annex B to the Notes exchanged.

7. It is understood that if there are any exclusions made from Annex A to the Notes exchanged, there will be appropriate corresponding reductions in the base limits in Annex B to the Notes exchanged, in an amount to be mutually agreed.

For the Government of
Japan



For the Government of the
United States of America [1]



Washington, D. C., June 11, 1976

¹ Frederick B. Dent

[AMENDING AGREEMENTS]

The General Counsel, Office of the Special Representative for Trade Negotiations, to the Japanese Commercial Minister

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON 20506

SEPTEMBER 10, 1976

The Honorable
YOSHIO KAWAHARA
Commercial Minister
Embassy of Japan

DEAR MINISTER KAWAHARA:

I am writing with reference to discussions held on September 9, 1976, between officials of the Government of Japan and the United States Government concerning resolution of the problem which has arisen from the classification of high carbon chrome bearing steels as "alloy tool steel" as that term is used in the Notes dated June 11, 1976 exchanged between the Government of Japan and the United States Government.

In order to minimize unintended interference with entry of these steel shipments during the period that an appropriate solution to this problem is being developed, I propose on behalf of the United States Government that, pursuant to paragraph 1(d) of the provisions contained in the Notes, that the 60 percent limitation cited in that paragraph not apply to imports of alloy tool steel during the restraint period June 14, 1976 to June 13, 1977.

After receiving your letter indicating that the Government of Japan has no objection to the above proposal, an appropriate notice of this exception will be published in the Federal Register. The exception will be effective on the day following the date of publication in the Federal Register.

Very truly yours,

ALAN W.M. WOLFF

Alan Wm. Wolff
General Counsel

*The Japanese Commercial Minister to the General Counsel, Office of the
Special Representative for Trade Negotiations*

EMBASSY OF JAPAN
2520 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20008
(202) 234-2266

SEPTEMBER 10, 1976

Mr. ALAN WM. WOLFF
General Counsel
*Office of the Special Representative
for Trade Negotiations*
1800 G Street, N.W.
Washington, D.C. 20506

DEAR MR. WOLFF:

I wish to acknowledge the receipt of your letter dated September 10, 1976 and to inform you that the Government of Japan has no objection to your proposal that, pursuant to paragraph 1(d) of the provisions contained in the Notes dated June 11, 1976 exchanged between the Government of Japan and the United States Government, the 60% limitation cited in that paragraph will not apply to imports of alloy tool steel during the restraint period from June 14, 1976 to June 13, 1977.

Very truly yours,
Y. KAWAHARA
Yoshio Kawahara
Commercial Minister

*The Special Representative for Trade Negotiations to the Japanese
Ambassador*

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS
WASHINGTON

28 SEP 1976

EXCELLENCY,

I am writing with reference to the problem which has arisen due to the counting of certain steel suitable for bearings, imported from Japan, as "alloy tool steel" under the Notes exchanged between the Government of Japan and the United States Government on June 11, 1976.

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In order to minimize unintended interference with entry of these steel shipments during the period that an appropriate solution to this problem is being developed, I propose on behalf of the United States Government that, pursuant to paragraph 6(b) of the provisions contained in the Notes, 100 percent as a maximum increase rate instead of 1 percent set forth in Annex C thereto will apply to imports of alloy tool steel during the restraint period from June 14, 1976 to June 13, 1977.

I would further propose that should further arrangements be required in connection with the problem that I have referred to above, that such arrangements be made through consultations between appropriate designated officials of the Embassy of Japan and of the Office of the Special Representative for Trade Negotiations.

After receiving your letter indicating that the Government of Japan has no objection to the above proposals and agrees to the steps proposed above, an appropriate notice will be published in the Federal Register and necessary changes in the Tariff Schedules of the United States will be made effective on the date of publication.

Sincerely,

FREDERICK B. DENT

Frederick B. Dent

His Excellency

FUMIHIKO TOGO

*Ambassador Extraordinary and
Plenipotentiary of Japan*

The Japanese Ambassador to the Special Representative for Trade Negotiations



EMBASSY OF JAPAN
WASHINGTON, D.C.

September 28, 1976

Excellency,

This is to acknowledge the receipt of your letter of September 28, 1976, with respect to the Notes exchanged on June 11, 1976 between the Government of Japan and the United States Government concerning trade in certain articles of stainless steel or alloy tool steel.

I hereby inform you that the Government of Japan has no objection to your proposals and agrees to the steps proposed in your letter.

Fumihiko Toge
Ambassador Extraordinary and
Plenipotentiary of Japan

His Excellency
Frederick B. Dent
The Special Representative
for Trade Negotiations

TIAS 8442

*The Japanese Commercial Minister to the General Counsel, Office of the
Special Representative for Trade Negotiations*

EMBASSY OF JAPAN
2520 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20008
(202) 234-2266

SEPTEMBER 30, 1976

Mr. ALAN WM. WOLFF
General Counsel
*Office of the Special Representative
for Trade Negotiations*
1800 G Street, N.W.
Washington, D.C. 20506

DEAR MR. WOLFF:

With reference to the Notes exchanged between the Government of Japan and the United States Government on June 11, 1976, I am instructed by my Government to inform you as follows:

Pursuant to paragraph 3(b) of the provisions contained in the Notes, the Government of Japan wishes to notify the United States Government that during the restraint period of June 14, 1976, to June 13, 1977, the base limit of Category V (Alloy Tool Steel) as defined in Annex D(a) will be exceeded by three thousand five hundred short tons (3,500 S/T) and the equivalent amount will be reduced from the base limit of Category I (Stainless Steel Sheet and Strip). The Government of Japan also wishes that the United States Government, in accordance with the aforementioned paragraph, make an appropriate adjustment of the applicable base limits, consistent with Annex C as amended by exchange of letters on September 28, 1976.

Very truly yours,

Y. KAWAHARA

Yoshio Kawahara
Commercial Minister

The General Counsel, Office of the Special Representative for Trade Negotiations, to the Japanese Commercial Minister

OFFICE OF THE SPECIAL REPRESENTATIVE
FOR TRADE NEGOTIATIONS
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

SEPTEMBER 30, 1976

YOSHIO KAWAHARA
Commercial Minister
Embassy of Japan
Washington, D.C.

DEAR MINISTER KAWAHARA:

This is to acknowledge the receipt of your letter of September 30, 1976 with respect to the Notes exchanged between the Government of Japan and the United States Government on June 11, 1976.

By this letter, pursuant to paragraph 3(b) of the provisions contained in the Notes, the Government of Japan is notifying the United States Government that during the restraint period of June 14, 1976, to June 13, 1977, the base limit of Category V (Alloy Tool Steel) as defined in Annex D(a) will be exceeded by three thousand five hundred short tons (3,500 S/T), and the equivalent amount should be reduced from the base limit of Category I (Stainless Steel Sheet and Strip). Accordingly the United States Government, in accordance with the aforementioned paragraph, will reflect the appropriate adjustments of the applicable base limits in the Tariff Schedules of the United States, consistent with Annex C as amended by exchange of letters on September 28, 1976.

Very truly yours,
ALAN WM WOLFF
Alan Wm. Wolff
General Counsel

The Special Representative for Trade Negotiations to the Japanese Ambassador

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

OCTOBER 29, 1976

EXCELLENCY,

I am writing with reference to the problem which has arisen from the classification of certain steel suitable for bearings, imported from Japan, as "alloy tool steel" under the Notes exchanged between the Government of Japan and the United States Government on June 11, 1976.

In order to minimize unintended interference with entry of these steel shipments during the period that an appropriate solution to this problem is being developed, I propose pursuant to paragraph 6(b) of the provisions contained in the above-mentioned Notes the following:

1. The existing "alloy tool steel" category (TSUS item 923.24) will be deleted and replaced by two new categories: (1) steel described in attachment 1 to this letter (TSUS item 923.25) and (2) alloy tool steel excluding steel provided for in attachment 1 (TSUS item 923.26). These items will be assigned the quota quantities set forth in attachment 2 to this letter.

2. The suspension of the 60% limitation contained in the letters of September 10, 1976, will be rescinded. The 60% limitation for the first six months will not apply to the category of steel described by TSUS item 923.25. The limit will apply to the category of steel described by TSUS item 923.26.

3. The maximum percentage increase applicable for the category of steel described by TSUS item 923.26 will be 1 percent. There will be no such limit for the category of steel described by TSUS item 923.25. The changes made by our letters of September 28, 1976, will be rescinded.

4. The tonnage shifted from sheet and strip to alloy tool steel pursuant to the letters of September 30, 1976, will be returned to the sheet and strip category.

In order to give effect to the above proposals, we would have to complete the appropriate internal United States Government procedures. Following this, an appropriate notice would be published in the Federal Register and necessary modifications of the Tariff Schedules of the United States would be made effective not later than three days following the date of such publication. After receiving your letter indicating that the Government of Japan has no

objection to the above proposals and agrees to the steps proposed above, I will undertake these actions promptly.

Sincerely,

FREDERICK B. DENT

Frederick B. Dent

His Excellency

FUMIHIKO TOGO

*Ambassador Extraordinary and
Plenipotentiary of Japan*

Attachment 1

Definition of Certain Alloy Tool Steels

Alloy tool steel of the types provided for in items 608.52, 608.76, 608.78, 608.85, 608.88, 609.06, 609.07, and 609.08, which contain, in addition to iron, each of the following elements by weight in the amounts specified:

carbon: not less than 0.95 nor more than 1.13 percent;
 manganese: not less than 0.22 nor more than 0.48 percent;
 sulfur: none, or not more than 0.03 percent;
 phosphorus: none, or not more than 0.03 percent;
 silicon: not less than 0.18 nor more than 0.37 percent;
 chromium: not less than 1.25 nor more than 1.65 percent;
 nickel: none, or not more than 0.28 percent;
 copper: none, or not more than 0.38 percent;
 molybdenum: none, or not more than 0.09 percent.

Attachment 2

Quota Quantities

<u>Item</u>	<u>Restraint Period</u>	<u>Thousands of Short Tons</u>
923.25	June 14, 1976–June 13, 1977	19.8
	June 14, 1977–June 13, 1978	22.0
	June 14, 1978–June 13, 1979	24.3
923.26	June 14, 1976–June 13, 1977	3.5
	June 14, 1977–June 13, 1978	3.7
	June 14, 1978–June 13, 1979	3.8

*The Japanese Ambassador to the Special Representative for Trade
Negotiations*



EMBASSY OF JAPAN
WASHINGTON, D. C.

October 29, 1976

Excellency,

This is to acknowledge the receipt of your letter of October 29, 1976, with respect to the Notes exchanged on June 11, 1976, between the Government of Japan and the United States Government concerning trade in certain articles of stainless steel or alloy tool steel.

I hereby inform you that the Government of Japan has no objection to your proposals and agrees to the steps proposed in your letter.

Fumio Ito
Ambassador Extraordinary and
Plenipotentiary of Japan

His Excellency
Frederick B. Dent
The Special Representative
for Trade Negotiations

ISRAEL
Agricultural Commodities

*Agreement amending the agreement of September 30, 1976,
as amended.*

Effectuated by exchange of notes

*Signed at Washington December 10, 1976;
Entered into force December 10, 1976.*

*The Secretary of State to the Israeli Ambassador*DEPARTMENT OF STATE
WASHINGTON

December 10, 1976

Excellency.

I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two governments on September [1] 30, 1976, as amended on October 12, 1976, and to propose that the agreement be further amended as follows:

(A) In Part II, Item I--Commodity Table--for wheat/wheat flour, under the column entitled Supply Period, delete "(U.S. Calendar Year) 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977," (B) In Part II, Item III--Usual Marketing Table--under the column entitled Import Period, delete "(U.S. Calendar Year) 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977," (C) In Part II, Item IV (A)--Export Limitations--after the words "United States Calendar Year 1976" insert "plus January 1 through March 31, 1977," (D) In Part II, Item IV (C)--Permissible Exports--under the column entitled "Period during which such exports are permissible," delete "U.S. Calendar Year 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977 "

His Excellency

Simcha Dinitz,

Ambassador of Israel.

¹TIAS 8382, *ante*, p. 3543.

All other terms and conditions of the September 30, 1976, Title I Agreement, as amended, remain the same.

If the foregoing is acceptable to your government, I propose that this note and your reply concurring therein constitute an agreement between our two governments, effective the date of your note in reply.

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

For the Secretary of State:



[¹]

¹ Arthur R. Day

The Israeli Economic Minister to the Secretary of State

EMBASSY OF ISRAEL
WASHINGTON, D.C.

December 10, 1976

Sir.

I have the honor to refer to the Department Note of today's date in which an amendment to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two governments on September 30, 1976, as amended on October 12, 1976, is proposed as follows:

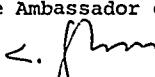
(A) In Part II, Item I--Commodity Table--for wheat/wheat flour, under the column entitled Supply Period, delete "(U.S. Calendar Year) 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977," (B) In Part II, Item III--Usual Marketing Table--under the column entitled Import Period, delete "(U.S. Calendar Year) 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977," (C) In Part II, Item IV (A)--Export Limitations--after the words "United States Calendar Year 1976" insert "plus January 1 through March 31, 1977," (D) In Part II, Item IV (C)--Permissible Exports--under the column entitled "Period during which such exports are permissible," delete "U.S. Calendar Year 1976" and insert "U.S. Calendar Year 1976 plus January 1 through March 31, 1977 "

All other terms and conditions of the September 30, 1976, Title I Agreement, as amended, remain the same.

The foregoing amendment is acceptable to the Government of Israel and we concur that this constitutes an Agreement between our two Governments to enter into force on this date.

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

For the Ambassador of Israel


Ze'ev Sher
Economic Minister
Embassy of Israel

The Honorable
Dr. Henry A. Kissinger,
Secretary of State,
Washington, D.C.

KUWAIT

Safeguarding of Classified Information

*Arrangement signed at Kuwait January 18, 1976;
Entered into force January 18, 1976.*

Technical Security Arrangement Between the Ministry of Defence of Kuwait and the Department of Defense (DOD) of the United States concerning Special Security Measures for safeguarding of Certain United States Classified Military Articles, Services and Information.

In furtherance of mutual co-operation of Kuwait and the United States, the Minister of Defence of Kuwait and the Secretary of Defence of the United States agree to carry out special security measures to protect United States military information classified through SECRET against sabotage, espionage, unauthorized access or any other hostile activity as follows:

I. PERSONNEL SECURITY

A. No person shall be entitled to access to United States classified military information solely by virtue of rank, appointment or security clearance. Access to classified information shall be granted only to those individuals whose official duties require such access

"ترتيبيامي فني بين وزارة الدفاع
الكونية ووزارة دفاع الولايات المتحدة
الامريكية بخصوص اجراءات الامن الخاصة
بضمانة وحماية مواد وخدمات ومعلومات
عسكرية امريكية سرية معينة".

تعزيزا للتعاون المتبادل بين الكويت
والولايات المتحدة، اتفق وزير دفاع
الكويت ووزير دفاع الولايات المتحدة على
القيام بإجراءات أمنية خاصة بحماية المعلومات
العسكرية الأمريكية الصنف "سرى" من
التخريب والجاسوسية والوصول غير الجائز
إليها، أو من أي نشاط معاذ آخر، كما
يليه:-

الامن المتعلقة بالأشخاص : -1-

- 1) لن يدخل اي شخص الوصول
إلى المعلومات العسكرية
السرية الأمريكية فقط يفضل رتبته
أو وظيفته او مهنته سجله الامني:
ولن يمنع الرصان إلى المعلومات
السرية إلا إلى الأفراد الذين
يتطلب واجباتهم الرسمية
الوصول إليها وأذن من جرى
التحري عنهم ورجد سجله
الامني ثقيا بمرجع التأييس

in accordance with prescribed standards. Classified military information or material shall not be disseminated or released to any person who is not (1) a national of Kuwait, (2) a member of the armed forces of the United States or United States citizen holding

a Department of Defence clearance at the proper level. Other individuals as may be mutually agreed upon, may be granted access.

Before granting an individual access to classified military information, the Ministry of Defence shall make a security determination as to such person's eligibility.

B. The determination as to whether the granting of a clearance is consistent with the interest of security shall be based upon all available information indicating whether such individual is of (1) unquestioned loyalty, integrity and trustworthiness, and (2) excellent character, and of such habits and associates as to cast no doubt upon his discretion and or good judgment in the handling of classified information.

C. An appropriate investigation, in sufficient detail to provide assurance that the criteria in subparagraph 1.B.(1) and (2) above have been met, shall be conducted by the Ministry of Defence with respect to

الموضوعة . ولن يصح او يغشى بالمعلومات او المواد العسكرية السرية الى اي شخص ليس
 (١) مواطنا كويتي
 (٢) عضوا في القوات المسلحة الامريكية او مواطنا امريكيا يحمل تفويضا امنيا من وزارة الدفاع بالمستوى المناسب .

ويسمح لأشخاص آخرين يتفق عليه بين الطرفين للوصول الى المعلومات السرية الأمريكية .

و قبل منح الفرد سبل الوصول الى المعلومات العسكرية السرية تتعهد وزارة الدفاع الكويتية بتقديراً امنياً بالنسبة لأهلية الشخص واستيفائه الشروط المطلوبة .

ب - ان تقدير ما اذا كان منح التقرير مطابقاً لصالح الأمن ، يقوم على أساس جميع المعلومات المتوفرة الدالة على كون الشخص المذكور (١) ذات راهنة لامراه فيها ولها واحلاص وأهلا للثقة (٢) ذات أخلاق ممتازة وعادات ورفقاء مأنيقى الشك في حصانته وحذره وحسن تقديره في التصرف بالمعلومات السرية .

ج - تجري وزارة الدفاع الكويتية تحريات مناسبة ويفصل كـ _____ اف للتأكد من أن الرئيس المنصب وص عليهما في التقريرين (١) و (٢) السابقتين قد استوفيت ، بختصار ، أي شخص يمنع سبل الوصول الى المعلومات او المواد السرية الأمريكية .

any person to be granted access to U.S. classified information or material.

- D. Such investigation shall include the following:

1. Citizenship. The individual's citizenship is established or certified by the Government of Kuwait.

2. A review of the security and intelligence records and files of the Special office of the Kuwait Army shall be made for pertinent facts having a bearing on the loyalty and trustworthiness of the individual.

- E. Each establishment handling United States classified military information shall maintain a registry of the clearances of personnel authorized to have access to such information at that establishment. Security clearances granted and the investigative files upon which such clearance were granted shall be maintained in a central repository of the Ministry of Defence. Records shall reflect the dates of investigation, the locations of the investigative files, the dates clearances were granted, the name of the authorized person granting clearances and the degree of access to which the individuals are authorized. Such clearances shall be reexamined as a matter of priority when new information is received which indicates that continued access to such classi-

د - تتضمن التحريرات تلك ما يلى :-

١) الجنسية : اثبات جنسية الشخص من قبل الحكومة .

٢) مراجعة سجلات وملفات الأمان

وإلا استخبارات التابعة للمكتب الخاص
في الجيش الكوري للإطلاع على الحقيقة
الريثيةصلة بـ بلا، الفرد وأهليته للثورة.

هـ - تحفظ كل مؤسسة تصرف بالمعلومات العسكرية السرية الأمريكية بسجل خاص تتخلية أنشئته "للموظفين المفترضين" بالوصول الى تلك المعلومات في تلك المؤسسة . ويحفظ بالسجل الخامناء بأمن وبيانات التحقيق التي تحت "التحلية الأمنية" على أساسها في مستودع مرتكب في وزارة الدفاع الكويتية . وتبين السجّل تواريخ التحقيقات وأسماء ملئيات التحقيق، و تاريخ من حسن السلوك "اسم الشخص المفترض يennis حسن السلوك" ودرجات "الوصول" "المجاز للأذراز" . وبعده فعن كل "حسن سلوك" بالآلية لدى وصل معلومات جديدة تدل على أن استئثار الرجل الى المعلومات السرية تلك لم تعد تلائم وصلاحة الأمان .

fied information may no longer be consistent with the interests of security.

II. SUPPLEMENTAL SECURITY PRINCIPLES AND PRACTICES.

- A. The Ministry of Defence shall be responsible for administering the security measures contained herein under the standards set forth.
- B. The Ministry of Defence shall be responsible for the security of the facilities and establishments where United States classified military information and material are available, including training and maintenance installation, and shall appoint qualified officers of the Ministry of Defence for each such facility or establishment who shall have authority and responsibility for the control and protection of classified military information in the facility or establishment.
- C. Authorization for visits to areas where access to classified United States military information is available shall be limited to those necessary for official purposes. Authorization to visit such an area shall be granted only by the Ministry of Defence of Kuwait. The Ministry of Defence shall be responsible for advising the appropriate personnel at the particular facility or establishment of the proposed visit, and highest classification of in-

٢ - مبادئ وأساليب أمنية تكميلية :

١- تكون وزارة الدفاع الكويتية مسؤولة عن إدارة اجراءات الأمان من المدرجة هنا بموجب المعايير البينية.

ب- تكون وزارة الدفاع الكويتية مسؤولة عن أمن المرافق والمؤسسات

التي يوجد فيها المعلومات والبيانات العسكرية السرية الأمريكية ، بما في ذلك منشآت التدريب والصيانة ، وتعيين ضباط أكفاء من وزارة الدفاع لكل مرفق أو مؤسسة ، يكن لديهم السلطة والمسؤولية عن مراقبة وحماية المعلومات العسكرية السرية في المرافق أو المؤسسات.

ج) يحضر التراخيص لزيارة المنطقة التي يتواجد بها "الوصول" إلى المعلومات العسكرية السرية الأمريكية في ما يكون ضروريا للأغراض الرسمية . وتقتصر وزارة الدفاع الكويتية بمعنى التراخيص لزيارة تلك المنطقة . كما تكون مسؤولة عن إرشاد المسؤولين المختصين في المرفق أو المؤسسة التي ستتجري زيارتها وعن مدى المعلومات وأقصى ما يمكن تزويذ الزائر بها .

formation that may be furnished to the visitor.

D. The Ministry of Defence shall submit requests for visits to industrial installations within the United States to the Embassy of Kuwait, Washington DC for transmittal to the foreign Liaison office of the appropriate Military Department, the Pentagon Washington DC. Such requests shall include a statement of the security clearance and official station of the visitor and the necessity for the visit.

III. PHYSICAL SECURITY

A. Security responsibility commences upon receipt of the classified documents by, or upon the passing of title of the classified equipment to an authorized representative of the Government of Kuwait in the United States or upon arrival of a ship in port in Kuwait, or the landing of an airplane at an airport in Kuwait. Once received, the Ministry of Defence shall retain custody of all such United States classified military equipment, component, and associated drawings and instruction while in transit within Kuwait or storage within Kuwait.

B. United States information classified CONFIDENTIAL shall be stored in safes or steel cabinets with built-in combination locks which are regularly inspected and proven to be secure. United States infor-

د - تقدم وزارة الدفاع الكويتية الطلبات لزيارة المنشآت الصناعية في الولايات المتحدة إلى سفارة الكويت في واشنطن (العاصمة) لتحويلها إلى مكتب الاتصال الخارجي في الادارة العسكرية المختصة في البنتاغون. وتحتم هذه الطلبات بياناً بالسجل الآمني الخاص بالزائر ومركة الرسمى وضرة الزارة.

٢- الأمان المتبادل :

أ) تبدأ المسؤولية الأمنية لدى استلام الرسائل السرية من قبل مثل بقش لحكومة الكويت في الولايات المتحدة أو لدى نقل حق ملكية المعدات السرية إليه، أو لدى وظيفة الباخرة التي ميناء الكويت، أو لدى هبوط الطائرة في مطار الكويت. وحال تسلمهها تقم وزارة الدفاع الكويتية بحراسة جميع المعدات العسكرية السرية الأمريكية وربكتها والرسوبات والتعليمات المرافقة وهي في طريق مرورها أو في حالة نقلها أو تخزينها ضمن حمود الكويت.

ب) تخزن المعلومات الأمريكية المصنفة (لذكريم) في خزانات حديدة أو دواليس فولاذرية ذات انتقال من أرقام تراويف سرية، ببيئة فيها، وتحت هذه الانتقال بانتظام للتأكد من صحتها وأحكامها. وتخزن المعلومات الأمريكية المصنفة سرى في خزانات حديدة ذات انتقال من أرقام تراويف سرية تعتبره

mation classified SECRET shall be stored in safes with built-in combination locks which are considered adequate by the Ministry of Defence for storage of Kuwaiti information classified SECRET. Entrances to rooms and areas where classified material is stored shall be under the surveillance of armed guards on 24-hour basis.

IV. TRANSMISSION

The minimum requirement for the security of United States classified information during transmission shall be as follows:

A. Documents. United States documents classified SECRET and confidential shall be transmitted in the same manner as Kuwaiti documents of equivalent security classification. Documents shall be in double sealed envelopes, the innermost bearing only the classification of the material enclosed and the outer envelope bearing only the address of the recipient the address of the sender, and the registry number of the classification of the enclosed documents shall be made on the outer envelope. The sealed envelope shall then be hand-carried by an armed courier. Receipts are to be obtained on every occasion when documents change hands enroute, and, a receipt is to be issued by the final recipient to the original consignor.

وزارة الدّناء والكونيّة كافية لتخزين المعلومات
الكونيّة المهمّة مسّرًّا . ويكون الدخول إلى
الغُرف والمناطق المخزنة فيها الموسّاد
السرية تحت حرامة حرام مسلحين على
مدار الليل والنهار ———— ا:

يكون الحد الأدنى للمطالبات
الأمنية الخاصة بالمعلومات السرية
الأمريكية خلال نقلها أو إرسالها
كما يلي:

(١) الوثائق
الوثائق الأمريكية المصنفة سرية
ويكتوم بعض الطرورة التي تنتقل بها
الوثائق الكورية ذات التصنيف الأممي
المائل في مثلثات مزدوجة مختومة،
يحمل المثلث الداخلي تصنيف الماداة
المرفقة بطيء نفط ويحمل المثلث الخارجى
عنوان المستلم وعنوان المرسل ورقة
تسجيل الشحنة ولا يشار إلى تصنيف الوثائق
المتضمنة على المثلث الخارجى . ثم تنتقل
المثلثات المختومة باليد بواسطه
ساع مسلح . ويجب الحصول على
ايمال في كل مناسبة تنتقل فيه
الوثائق من يد إلى يد في الظرف .
ويهدى المستلم النهائي إيصال إلى
المدرس الأصل .

B. Material and Equipment.

1. *By Rail or Road.* Classified material and equipment shall be transported in sealed covered vans or cars, or securely shielded and kept under continuous guard to prevent access by unauthorized persons.

2. *Storage Shore in Transit.* Classified material and equipment which must be stored ashore temporarily awaiting transhipment shall be in secure locked storage or segregated areas. Guards shall maintain continuous surveillance of the storage and only appropriate security personnel shall have custody of the key to the storage.

3. *Receipts.* Receipts are to be obtained on every occasion when classified material and equipment changes hands enroute, and a receipt is to be issued by the final recipient to the original consigner.

C. *Electric Means.* All United States classified information transmitted by electric means shall be encrypted in a system of the same classification as that of Kuwaiti information classified SECRET and made available to the least number of commands, agencies and persons to assure delivery to those who have a real "need-to-know".

د) المراد والمقدار:**١- بالسكك الحديدية أو بالطريق السائقي:**

تنقل المراد والمقدار في عربات أو سيارات منشطة مختبرة أو منشطة بخطاطة محكم وتحقى الحراسة المستمرة لمنع الأشخاص غير المرخص لهم الوصول اليها.

٢- التخزين على الشاطئ في حالة المطر:

تكون المراد والمقدار المائية على الشاطئ مؤقتاً انتظاراً لإعادتها في أوكة تخزين مغلقة يراقبها أو في مناطق معزولة ويقوم الحراس بحراسة أوكة التخزين حراسة مستمرة ولن يكون من صالح التخزين إلا في حزرة المسؤولين المختصين بالأمن فقط.

٣- يجب الحصول على إيصالات في كل مرة تنقل فيها المراد والمقدار المائية من يد إلى يد في الطريق. وصدر المستلم النهائي إيصالاً إلى المرسل الأصلاني.**ج - الـرسائل الكهربائية:** تكون جمهورية المعلومات الأمريكية الأمريكية بالرسائل الكهربائية بالرويـز الشفرةـ بنـفـسـنـ نظام تشفير المعلومات الكهربـائية المعـتـنـىـةـ سـريـ ولاـتـفـرـ إـلـىـ أـلـقـ عـدـ مـنـ الـذـيـادـاتـ وـالـأـجهـزةـ وـالـأـشـخـاصـ لـتـأـمـيـنـ تـسـليـهـاـ إـلـىـ مـنـ هـمـ نـدـلاـ بـحـاجـةـ إـلـىـ مـعـرـفـةـ.

V. ACCOUNTABILITY. Accountability procedure shall be established to control the dissemination and physical inventory of classified military information and material. Control officers shall be designated to maintain accountability registers for the receipt and dispatch of classified documents.

VI. MARKING OF DOCUMENTS

4. MARKING OF DOCUMENTS
The Ministry of Defence shall stamp the name of the United States

Government on all classified documents and material received in addition to the appropriate Kuwaiti security classification marking, to prevent loss of identity.

VIII. DESTRUCTION

- A. Classified documents, when no longer required, shall be destroyed by burning by authorized personnel so effectively as to prevent compromise of the classified information contained therein. Accountability records shall be maintained to reflect the destruction of classified documents.
 - B. Classified material shall be destroyed beyond recognition so as to preclude reconstruction of the classified information in whole or in part.

VII. REPRODUCTION

When a classified document is reproduced, all original security marking thereon also shall be reproduced or placed on each reproduction. Such reproduced documents shall be placed under the same accountability controls as are required for the original documents.

٥- المسؤولية:

توضع اجراءات المسؤولية لمراقبة
توزيع المعلومات والمواد العسكرية السرية
بما ينطوي على مخاطر كثيرة، وذلك المخزون المادي
فيها، ويعين مسؤولون عن المراقبة
يمكنهم بسهولة "المسؤولية" عن تسليم
دارسالوثائق، المسؤولية.

٦ - ناشر المذاهب

افتتحت وزارة الدّناء الكوبيّة باسم حكومة

الولايات المتحدة على جميع الوثائق ——
والمواد السرية المستلمة بالأضافة إلى
تأشير التصنيف الأمني الكوري الخاص، لمنع
شيء مماثل في معرفة تلك الوثائق، والمواد.

الفاتح

- (٤) تتبّع الريّاثيّة السرية عند انتشار الحاجة إليها وذلك بمحرقها من قبل مسؤول مفوض حرقاً كاملاً لمنع تعرّف المعلومات التي فيها إلى أي خطر. وبختصار يسجلات تتبع المسؤولية بين اتسلاف الريّاثيّة السرية.

ب) تختلف المواد السرية اثلافاً كاماً لا تعرف
بعده، وذلك كي لا يعيق مجهول
تدريب المعلومات السرية كلية
أ. جزءاً.

٨- الاستئناف :

لدى استثناءات وثيقة سرية ، يستثنى
معها أيضا جميع ما أشر عليه
من تأشيرات أمنية أصلية أو تردد مع
تلك التأشيرات على كل صورة . وتوضع
الوثائق المستفيضة هذه تحت
رئاسة المسؤولة نفسها الازمة
للوثائق الأصلية .

IX. TRANSLATION

All translations of documents containing Untied States classified military information shall be made by cleared personnel by or upon approval of the Ministry of Defence. The number of copies and the distribution hereof shall be strictly controlled. Such translations shall bear appropriate security markings and suitable notation in the language of translation indicating that the documents contains classified information requiring special handling under these arrangements.

X. TEST AND MAINTENANCE

All tests and maintenance of United States classified material and equipment shall be conducted by (1) military personnel of the ministry of Defence, (2) such United States military and civilian technicians as have been cleared for such work by the United States Department of Defence. Such tests and maintenance work shall be conducted only at facilities, installations, or establishments of the Ministry of Defence or United States controlled facilities or mutually agreed.

XI. ACTION IN THE EVENT OF POSSIBLE COMPROMISE.

When a possibility of compromise exists due to apparent loss or misrouting of classified documents messages, material or equipment, the United States Liaison Office Kuwait (USLOK) shall be informed immediately and investigation shall be initiated by the Ministry of Defence to determine the full facts in the matter.

١- الترجمة :

ان جميع ترجمات الوثائق أو أجزاءً من الوثائق المحتوية على معلومات عسكرية سرية أمريكية يتم بها موظف "تقى السجل الأمني" بمراقبة وزارة الدفاع الكويتية ويراقب عدد النسخ وتوزيعها مراتبة شديدة دقة . وتحل هذه الترجمات التأشيرات الأمنية الخاصة مع اشارة مناسبة بلاغة الترجمة تدل على أن الوثيقة تحتوى على معلومات رسمية تتضمن تصرفاً خاصاً بوجب هذه الترتيبات .

٢- الاختبار والصيانة :

ان جميع الاختبارات والصيانة للمواد والمعدات السرية الأمريكية يتم بها ، (١) عسكريون من وزارة الدفاع الكويتية (٢) فنيون أمريكيون عسكريون أو مدنيون اجرت وزارة الدفاع الأمريكية التدقيق في نقاوة سجلهم الأممي خصيصاً لمثل هذا العمل . ولا تجري هذه الاختبارات أو أعمال الصيانة إلا في المراافق أو الأشخاص أو المراكز التابعة لوزارة الدفاع الكويتية ، أو في المراافق الأمريكية المراقبة ، أو في الأماكن التي يتفق عليها الطرفان .

٣- الاجراءات في حالة احتمال التعرض للانفجار أو الخطأ :

عند احتمال تعرية الوثائق أو الرسائل أو المواد أو المعدات السرية للانفجار يسبب قدمائها أو بسب ضغط لال طرقها ، يبلغ في ذلك بالحال خابط الارتباط الأمريكي في الكويت ويجري تحقيقات من قبل وزارة الدفاع الكويتية لتحديد وناءع المسألة كلها . وتبليغ وزارة الدفاع الكويتية في الحال خابط الارتباط الأمريكي في الكويت بنهاية التحقيقات والـ لربات عن الاجراءات المتتخذة لمنع تكرار ذلك .

Results of the investigation and information regarding measures taken to prevent recurrence shall be forwarded by the Ministry to the USLOK.

XII. REVIEW OF SECURITY SYSTEMS

It is recognized that effective and prompt implementation of the foregoing security policies and practices can be materially advanced through visits of security personnel. Accordingly, it is agreed to continue a thorough exchange of views relative to security policy, standards, and procedures. Further, security working groups of the United States Department of Defence, after prior consultation and with the consent of the Ministry of Defence of Kuwait, and at a time mutually agreeable between the parties shall be permitted to visit and review first hand, the implementing procedures of the Ministry of Defence. Such action to be undertaken with a view to achieving reasonable comparability of the security systems of the Ministry of Defence and the Department of Defence.

Signed at KUWAIT
January 18, 1976

STANLEY D COX

Stanley D. Cox
Colonel, U.S. Marine Corps
Chief, U.S. Liaison Office, Kuwait

١٩٧٦/١/١٨ في الكويت بدار

[1]


عبدالرزاق يوسف الحميسي
وكيل وزارة الدفاع

¹ Abd al-Razzāq Yūsuf al-Khamīs
Deputy Minister of Defense.

BRAZIL

Air Transport Services

*Interim agreement effected by exchange of notes
Dated at Brasilia October 27 and November 1, 1976;
Entered into force November 1, 1976.
With final act
Signed at Rio de Janeiro July 24, 1968.*

The American Embassy to the Brazilian Ministry of External Relations

No. 415

The Embassy of the United States of America presents its compliments to the Ministry of External Relations and has the honor to refer to the consultations held from November 3 to November 7 in Rio de Janeiro between representatives of the Government of the United States of America and the Government of the Federative Republic of Brazil pursuant to the terms of the Air Transport Agreement of 1946, as amended,^[1] between our two governments. During these consultations, the chairmen of the respective delegations signed the Final Act recording the views expressed and the understanding reached by the two delegations. The text of the Final Act is as follows:

"Delegations representing the Government of the United States of America and the Government of the Federative Republic of Brazil met in Rio de Janeiro from November 3-7, 1975, to consider matters of mutual interest arising under the Air Transport Agreement between the United States and Brazil, as amended, and the 1958 and 1968 note exchanges related thereto. The members of the respective Delegations are listed in the attachment hereto.

The matters of mutual interest which were discussed and the results of the discussion are summarized as follows:

A. Change of Gauge and International Service at Congonhas Airport

Since the two Delegations could not come to a common understanding with regard to the legal interpretation of certain aspects of the bilateral Agreement regarding change of gauge and use of Congonhas Airport, they decided to postpone discussions of these

¹ TIAS 1900, 2190, 4143, 6672; 61 Stat. 4121; 2 UST 460; 9 UST 1468; 20 UST 658.

aspects to a later date and, in the meantime, having in mind the importance of the commercial interests of the airlines, to consider the measures taken by the Brazilian Government for the leasing of aircraft between Galeão and Congonhas Airports as an adequate solution giving the airlines of the two countries a fair and equal opportunity to offer international service at Congonhas.

The measures agreed upon are as follows:

1. The Brazilian aeronautical authorities will approve the contract between Pan American and VASP dated October 17, 1975.

2. If the Brazilian aeronautical authorities wish to modify subsequently the rules presently in force for the leasing of aircraft on the Galeão-Congonhas segment and, if such modifications were to result in any alteration in the operations established in item 1 above, the Brazilian aeronautical authorities will consult with the appropriate U.S. authorities before taking a final decision.

3. Uniform conditions, consistent with Article 15 of the Chicago Convention,^[1] imposed by the Brazilian aeronautical authorities on the use of Congonhas Airport will not be subject to the consultations mentioned in item 2 above.

4. All international clearance formalities for the services provided in the airline contract will take place at Congonhas airport.

5. Pan American will be permitted in its schedules to assign its own flight numbers to the connecting flights of aircraft of a Brazilian airline between Galeão Airport and Congonhas pursuant to a leasing contract, and Pan American will be permitted to operate one or more of such flights, using its own aircraft, beyond Rio de Janeiro to points on its routes in third countries.

The two Delegations further agreed that, in the spirit of goodwill and friendship which characterizes US-Brazil air transport relations, they would consult promptly, formally or informally, should any procedural or interpretative questions arise in connection with the matters set forth above for the purpose of resolving them on an equitable and reasonable basis.

B. Filing of Schedules

The two Delegations agreed that, wherever a notification is required pursuant to paragraph one or three of Annex B to the 1968 Final Act,^[2] such notification will include a copy of the complete schedule of the airline showing all of its services over routes provided in the Route Schedule to the Agreement. Such schedule will be submitted in the form prescribed by the respective aeronautical authorities.

C. Scheduling Practices in Implementing Traffic Rights

The two Delegations agreed that, among acceptable scheduling practices, an airline of one country may, at any authorized point in the territory of the other country, consolidate two flights into one

¹ TIAS 1591, 6605, 6681; 61 Stat. 1180; 19 UST 7693; 20 UST 713.

² See pp. 4197-4198.

single flight in such way that only one aircraft continues transporting the traffic of these two flights. The U.S. Delegation stated that the U.S. would, in fact, accept that this concept applies where more than two flights are involved.

D. Section VII of Annex

The two Delegations agreed that it would be desirable to update Section VII of the Annex to the Agreement. They exchanged copies of their current standard texts, noted that there appeared to be no fundamental differences (except possibly that the U.S. text provides for the possibility of modifications by the respective authorities of existing rates), and agreed to exchange comments on their respective texts with a view to adoption of a mutually agreed new text in due course. Both Delegations agreed, moreover, that tariff discipline is fundamental to the operation of air services and, for this purpose, the aeronautical authorities of both countries will consult when necessary to assure that Section VII is observed by the airlines of both countries in the implementation of tariff.

E. Exchange of Statistics

The two Delegations agreed that the respective airlines may suspend the regular exchange of statistics under Annex C to the 1968 Final Act, but that either side may request that statistics be furnished pursuant to Annex C for use in any capacity consultation which may be called pursuant to Annex B. They also agreed to exchange technical comments at the aeronautical authority level regarding on-line (or flight) O&D statistics with the aim of providing for the submission of common statistics of this nature by the airlines to the aeronautical authorities of the other country.

F. Commercial Aspects of Airline Operations

Both Delegations exchanged views concerning commercial aspects of the operations of U.S. airlines in Brazil. In view of the necessity for greater details concerning the problems presented and so that the Brazilian aeronautical authorities may be able to submit these questions to the relevant Brazilian Government Agencies, both Delegations decided to deal with the matter in detail by exchange of correspondence in due course.

G. Section VIII of Annex

The U.S. Delegation suggested that Section VIII of the Annex to the Agreement was out-of-date and that, while deletion of this section was not essential since neither country was likely to invoke its provisions, its deletion would be appropriate. The Brazilian Delegation's tentative view was that deletion might be desirable but that further study was required, and it agreed to communicate its position on this matter in the near future.

The Final Act, signed by the Chairman of both Delegations, in two originals in English and Portuguese respectively, will become effective upon confirmation by the respective Governments through an exchange of notes."

The Embassy wishes to inform the Ministry that the Government of the United States of America has approved the Final Act and the understandings which it contains. The Embassy would appreciate receiving confirmation from the Ministry that the Government of the Federative Republic of Brazil has similarly approved this Final Act.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of External Relations the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA

BRASILIA - October 27, 1976

The Brazilian Ministry of External Relations to the American Embassy

MINISTERIO DAS RELAÇÕES EXTERIORES

DTC/DAI/DCS/129/680.4(B46)(B13)

O Ministério das Relações Exteriores cumprimenta a Embaixada dos Estados Unidos da América e tem a honra de acusar recebimento da nota verbal nº 415, de 27 de outubro de 1976, na qual transcreve os termos da Ata Final da VI Reunião de Consulta, realizada entre autoridades aeronáuticas do Brasil e dos Estados Unidos, no Rio de Janeiro, de 3 a 7 de novembro de 1975, abaixo reproduzida, em português:

"As Delegações representando o Governo dos Estados Unidos da América e o Governo da República Federativa do Brasil, encontraram-se no Rio de Janeiro, no período de 3 a 7 de novembro de 1975, a fim de tratar de assuntos de mútuo interesse decorrentes do Acordo sobre Transporte Aéreo entre o Brasil e os Estados Unidos da América, suas alterações e as respectivas trocas de notas de 1958 e 1968. Os membros das respectivas Delegações acham-se relacionados em anexo.

Os assuntos de interesse mútuo discutidos e os resultados das discussões foram, resumidamente, os seguintes:

A. Mudança de Bitola e Serviço Internacional no Aeroporto de Congonhas

Tendo em vista que as duas Delegações não puderam chegar a um entendimento comum no que tange à interpretação legal de certos aspectos do Acordo bilateral quanto à mudança de bitola e à utilização do Aeroporto de Congonhas, decidiram postergar os entendimentos sobre essa matéria para data posterior e, no interim,

tendo em vista a relevância dos interesses comerciais das empresas, consideraram as medidas tomadas pelo Governo brasileiro para o fretamento de aeronave entre o Galeão e Congonhas, como solução adequada para dar às empresas das Partes igual e justa oportunidade para oferecer serviços internacionais no aeroporto de Congonhas.

As Delegações concordaram na tomada das seguintes provisões:

1. As autoridades aeronáuticas brasileiras aprovarão o contrato de 17 de outubro de 1975, firmado entre a Pan American e a VASP;

2. Se as autoridades aeronáuticas brasileiras desejarem modificar posteriormente as normas atualmente vigentes para o fretamento de aeronaves no trecho Galeão-Congonhas, implicando tais modificações em nas alterações operações já acordadas no item 1 anterior, as Autoridades Aeronáuticas brasileiras consultarão com as apropriadas Autoridades americanas antes de tomar uma solução final;

3. Condições uniformes de acordo com o Art. 15 da Convenção de Chicago que venham a ser decretadas pelas autoridades aeronáuticas brasileiras não se incluem nas consultas previstas no item 2 acima;

4. Todas as formalidades de desembarque aeroportuário (aduaneiro, policial e sanitário) para os serviços previstos no contrato entre as aludidas empresas serão efetuadas no Aeroporto de Congonhas;

5. À Pan American será permitido consignar na divulgação dos seus horários com os números dos seus vôos os realizados em conexão, por aeronave de empresa aérea brasileira, em regime de fretamento, entre os Aeroportos do Galeão e Congonhas e poderá operar também um ou mais de tais vôos, em suas próprias aeronaves, além do Rio de Janeiro para pontos de suas rotas em terceiros países.

As duas Delegações concordaram ainda que, dentro do espírito de boa vontade e de amizade que caracteriza as relações aeronáuticas Brasil-Estados Unidos, consultar-se-ão sem demora, formal ou informalmente, no caso de surgirem quaisquer problemas de operação ou de interpretação exclusivamente com relação à matéria acima, com o objetivo de resolvê-las em bases equitativas e razoáveis.

B. Apresentação de Horários

As duas Delegações concordaram em que sempre que uma notificação é exigida em decorrência do parágrafo um ou três do Anexo B da Ata Final de 1968, tal notificação incluirá uma cópia dos horários completos da Empresa, mostrando todos os seus serviços nas rotas previstas no Quadro de Rotas do Acordo Aeronáutico. Tais horários serão submetidos na forma prevista pelas autoridades aeronáuticas respectivas.

C. Práticas de Estabelecimento de Servicos no Exercício dos Direitos de Tráfe-go

As duas Delegações concordaram em que, dentro das práticas aceitáveis no estabelecimento de serviços, uma empresa de uma das Partes pode, em qualquer escala autorizada no território da outra Parte, consolidar dois vôos em um único voo de forma a prosseguir somente com uma das aeronaves, transportando o tráfego destes dois vôos. A Delegação Americana declarou que os Estados Unidos de fato aceitariam que este conceito se aplicasse para o caso de mais de dois vôos.

D. Seção VII do Anexo

As duas Delegações concordaram que seria desejável, atualizar a Seção VII do Anexo ao Acordo. Trocaram cópias de seus respectivos textos-padrão, em vigor, e observaram que parece não haver diferenças fundamentais (exceto, possivelmente, pelo fato de o texto norte-americano prever possibilidade de modificação pelas respectivas Autoridades das tarifas existentes), e concordaram em trocar pontos de vista sobre seus respectivos textos com vistas à adoção, oportunamente, de um novo texto reciprocamente aceitável.

As Delegações concordaram ainda que a disciplina tarifária é fundamental para o operação dos serviços e para isso, as Autoridades Aeronáuticas dos dois países consultar-se-ão quando necessário para assegurar que a Seção VII será cumprida pelas empresas das duas Partes, na implementação das tarifas.

E. Troca de Estatísticas

As duas Delegações concordaram em que as empresas designadas por ambas as Partes poderão suspender a remessa regular de estatísticas nos termos do Anexo C da Ata Final de 1968, mas qualquer das Partes poderá solicitar que sejam fornecidas estatísticas nos termos do Anexo C, para utilização em qualquer consulta sobre capacidade, que possa vir a ser solicitada de conformidade com o Anexo B. Concordaram igualmente em trocar comentários de ordem técnica ao nível de autoridades aeronáuticas com respeito a estatísticas de origem e destino "on line", com vistas a possibilitar a apresentação, por parte das empresas, de estatísticas uniformes dessa natureza, as autoridades aeronáuticas da outra Parte.

F. Aspectos Comerciais das Atividades das Empresas

Ambas as Delegações trocaram pontos de vista sobre aspectos comerciais das operações dos Transportadores Americanos no Brasil.

Tendo em vista necessidade de maiores detalhes sobre os problemas apresentados, a fim de que as autoridades aeronáuticas brasileiras possam submeter os assuntos aos órgãos competentes do Governo brasileiro, ambas as Delegações decidiram tratar do assunto em detalhes por via epistolar, em época oportuna.

G. Seção VIII do Anexo

A Delegação dos Estados Unidos da América sugeriu que a Seção VIII do Anexo ao Acordo estava ultrapassada e que, quanto seu cancelamento não seja essencial, uma vez que dificilmente qualquer das Partes invocaria seu dispositivo, sua supressão seria apropriada. Em princípio, o ponto de vista da Delegação brasileira foi de que a supressão poderia ser desejável, mas que se fazia necessário estudos posteriores, e concordou em comunicar sua posição sobre a matéria, em futuro próximo.

A presente Ata Final é assinada pelos Chefes de ambas as Delegações, em dois originais, em inglês e português, e entrará em vigor mediante confirmação dos seus respectivos Governos, por troca de Notas."

2. O Ministério das Relações Exteriores comunica à Embaixada dos Estados Unidos da América que o Governo brasileiro está de pleno acordo com as disposições acima enumeradas.

3. O Ministério das Relações Exteriores concorda, outrossim, com que a presente nota e a nota nº 415, de 27 de outubro de 1976, da Embaixada dos Estados Unidos constituam a troca de notas prevista na Ata Final assinada em 7 de novembro de 1975, e salienta que os textos em português e inglês fazem igual fé.

BRASÍLIA, em 01 de novembro de 1976.

Translation

MINISTRY OF EXTERNAL RELATIONS

DTC/DAI/DCS/139/680.4(B46)(B13)

The Ministry of External Relations presents its compliments to the Embassy of the United States of America and has the honor to acknowledge receipt of note verbale No. 415 of October 27, 1976, stating the terms of the Final Act of the Sixth Meeting of Consultation held by aeronautical authorities of Brazil and the United States at Rio de Janeiro on November 3-7, 1975, of which the Portuguese version reads as follows:

[For the English language text, see pp. 1-4.]

The Ministry of External Relations informs the Embassy of the United States of America that the Brazilian Government is in full agreement with the foregoing provisions.

The Ministry of External Relations agrees, furthermore, that this note and the United States Embassy's note No. 415 of October 27, 1976, shall constitute the exchange of notes provided for in the Final Act signed on November 7, 1975, and emphasizes that the Portuguese and English texts are equally authentic.

BRASILIA, November 1, 1976

[Initialed]

AERONAUTICAL CONSULTATION, FEDERATIVE REPUBLIC
OF BRAZIL—UNITED STATES OF AMERICA (1967-68)

Final Act

Delegations representing the Government of the United States of America and the Government of the Federative Republic of Brazil met in Rio de Janeiro from February 15 through March 18, 1968 and July 15 through July 22, 1968 to continue the consultations held in Washington between June 15 and July 18, 1967, to consider matters of mutual interest arising under the Air Transport Agreement between the United States and Brazil (as amended) and the 1958 Note Exchange relating thereto. The members of the respective delegations are listed at Annex A.

During the consultation, ad referendum agreement was reached on certain matters which are described in the Annexes listed below:

Annex B—Capacity procedures to be followed by each Government in applying the existing Agreement and the related Note Exchange of 1958.

Annex C—Exchange of statistics.

Annex D—The introduction of new equipment.

Annex E—Amendment of the Route Schedule of the Agreement.

It was also agreed that for the purpose of registering the modification of the Route Schedule with ICAO, after review and approval of this Final Act and its Annexes, both Governments will exchange notes covering the text of Annex E.

In addition, certain other matters of mutual interest were discussed and the results of the discussion are summarized as follows:

a. Brazilian Desire for a Route to Europe via New York.

The Brazilian Delegation indicated continuing interest in a route to a point in Europe via New York and hoped that the United States would be able to reconsider the matter in the future. The United States Delegation explained the difficulties which such a route

poses for the United States Government, but indicated that the United States would be willing to examine this question again in the future.

b. Deletion of Section VIII of the Annex to the Air Transport Agreement.

The United States Delegation suggested that the Air Transport Agreement be amended to delete Section VIII of the Annex. The Brazilian Delegation stated that the suggestion would be considered.

This Final Act, signed by the Chairmen of both Delegations, in two originals in English and Portuguese respectively, both equally authentic, together with its Annexes, will become effective upon confirmation by the respective Governments through an exchange of notes.^[1]

MARTINHO CANDIDO DOS SANTOS

Ten. Brig. Martinho Candido
dos Santos

Chairman, Brazilian Delegation

JOHN S. MEADOWS

John S. Meadows
*Chairman, United States
Delegation
July 24, 1968*

RIO DE JANEIRO

Annex A

UNITED STATES DELEGATION

First Session – Washington, June/July 1967

Chairman:	Henry T. Snowden	- Chief, Aviation Negotiations Division, Department of State
Members:	Hon. Whitney Gilliland	- Member, Civil Aeronautics Board
	Richard J. O'Melia	- Deputy Director, Bureau of International Affairs, Civil Aeron. Board
	Nathaniel Wilson	- Staff Member, Office of Aviation, Department of State
	Joseph McKenna	- Staff Member, Bureau of International Affairs, Civil Aeronautics Board
Observer:	Gabriel Phillips	- Air Transport Association

2nd Session – Rio de Janeiro, February/March 1968

Chairman:	John S. Meadows	- Director, Office of Aviation, Department of State
Members:	Dorothy E. Thomas	- Chief, Geographic Area I, Bureau of International Affairs, Civil Aeronautics Board
	Frank M. Ravndal	- Transportation and Communications Officer, U.S. Embassy, Rio de Janeiro
Observer:	Gabriel Phillips	- Air Transport Association

¹ Dec. 10, 1968.

3rd Session - Rio de Janeiro, July 1968

Chairman:	John S. Meadows	- Director, Office of Aviation, Department of State
Members:	Hon. Whitney Gilliland Dorothy E. Thomas	- Member, Civil Aeronautics Board - Chief, Geographic Area I, Bureau of International Affairs, Civil Aeronautics Board
	Frank M. Ravndal	- Transportation and Communications Officer, U.S. Embassy, Rio de Janeiro
Observer:	Gabriel Phillips	- Air Transport Association

BRAZILIAN DELEGATIONFirst Session - Washington, June/July 1967

Chairman:	Maj. Brig. Martinho Cândido dos Santos	- President of CERNAI and Director General of Civil Aeronautics
Members:	Cons. Sergio Weguelin Vieira	- Representative of the Ministry of Foreign Relations and Member of CERNAI
	Cel. Av. Horácio Monteiro Machado	- Director, Div. of Air Transportation CERNAI and Member of CERNAI
	Dr. Expedito Albano da Silveira	- Director, Div. of Intern'l Air Policy and Juridical Matters, CERNAI, and Member of CERNAI
	Dr. José Ribamar de Faria Machado	- Legal Division, DAC, and Member of CERNAI
Advisor:	João Baptista Andrade	- VARIG representative

2nd Session - Rio de Janeiro, February/March 1968

Chairman:	Tte. Brig. Martinho Cândido dos Santos	- President of CERNAI and Director General of Civil Aeronautics
Members:	Cons. Sergio Weguelin Vieira	- Representative of the Ministry of Foreign Relations and Member of CERNAI
	Cons. Murillo Gurgel Valente	- Representative of the Ministry of Foreign Relations
	Dr. Eugênio Seifert	- Director, Air Navigation Division of CERNAI, and Member of CERNAI
	Dr. Expedito Albano da Silveira	- Director, Div. of Intern'l Air Policy and Juridical Matters, CERNAI, and Member of CERNAI
	Dr. José Ribamar de Faria Machado	- Legal Division, DAC, and Member of CERNAI
	Tte. Cel. Av. Pompeu Marques Perez	- Director, Traffic Division of DAC and Member of CERNAI
Advisor:	João Baptista Andrade	- VARIG representative

3rd Session - Rio de Janeiro, July 1968

Chairman:	Tte. Brig. Martinho Cândido dos Santos	- President of CERNAI and Director General of Civil Aeronautics
Members:	Dr. Eugênio Seifert	- Director, Air Navigation Division of CERNAI, and Member of CERNAI
	Dr. José Ribamar de Faria Machado	- Director, Div. of Intern'l Air Policy and Juridical Matters, CERNAI, and Member of CERNAI
	Tte. Cel. Av. Pompeu Marques Perez	- Director, Traffic Division of DAC and Member of CERNAI
	Dr. José da Silva Pacheco	- Advisor to the Air Minister on Juridical Matters and Member of CERNAI
	Sec. Ruy Antonio Pinheiro de Vasconcellos	- Representative of the Ministry of Foreign Relations and Deputy to Permanent Member of CERNAI
Advisors:	João Baptista Andrade Wilma Coutinho Pereira Baena	- VARIG representative - Secretary to the Council of CERNAI

Annex B to Final Act**Capacity Procedures**

The two Delegations discussed the capacity clauses of the Agreement and the effect of a request for consultation to examine the capacity offered by their respective airlines in accordance with the Agreement and particularly the Exchange of Notes dated December 1, 1958 relating to assurances against the mounting of patently unreasonable capacity and against the unilateral imposition of capacity controls. As a result of this discussion, the two Delegations reaffirmed these assurances and agreed upon the following procedures:

1. A schedule reflecting an increase in capacity (except as mentioned in Paragraph 3 below) shall be submitted by the interested airline directly to its own Government for review. Should the proposed increase appear to that Government to be appropriate in light of the applicable provisions of the Agreement, the related Exchange of Notes dated December 1, 1958, and other pertinent factors, that Government shall transmit the schedule to the aeronautical authorities of the other Government at least 30 days prior to the effective date of the proposed service. The Government transmitting the schedule shall indicate it has reviewed the proposed increase in light of the applicable provisions of the Agreement, the related Exchange of Notes, and other pertinent factors and has concluded that the proposed increase is appropriate.

2. a. If the aeronautical authorities of the other Government consider that a schedule reflecting an increase in capacity filed pursuant to paragraph 1 above may be inconsistent with the applicable provisions of the Agreement and the related Exchange of Notes, they may so notify the appropriate authorities of the Government of the airline concerned, through diplomatic channels, and may request consultation to consider the question. Such notification shall specify the single point in each country between which additional services are of concern, it being understood that for this purpose Los Angeles/San Francisco and Rio de Janeiro/São Paulo, respectively, shall be deemed a single point. Every effort shall be made to conclude the consultation prior to the effective date of the schedule concerned.

b. When both Governments agree during such consultation that the new schedule should be modified, the Government of the airline concerned shall take steps to assure that adjustments are made in the proposed schedule to reflect the understandings achieved.

c. When no such agreement is reached, or the consultation has not been concluded prior to the effective date of the schedule concerned, the proposed schedule shall be permitted to become effective. However, the Government of the airline concerned shall refrain from transmitting schedules reflecting further increases for that airline between the points specified in the notification mentioned in paragraph 2a above for a period of nine months from the date of effectiveness of the schedule which had been questioned, unless otherwise mutually agreed in consultations held during this period.

3. A schedule which reflects no increase in an airline's total capacity, or which reflects the resumption of capacity operated during the same season of the previous year, shall be submitted by the interested airline directly to the aeronautical authorities of the other Government for information at least 15 days in advance of the effective date. For the purpose of this paragraph it is understood that an increase in capacity resulting from a routine substitution of an aircraft or a routine change in aircraft configuration shall be deemed to constitute no increase in total capacity.

4. Consultation to review existing services may be invoked whenever one party believes, in light of the actual operating experience of six months or more, that the services being provided by an airline or airlines of the other party violate the capacity provisions of the Agreement. The services in question shall be permitted to remain in effect pending the conclusion of the consultation.

5. The joint reviews contemplated in paragraphs 2 and 4 above shall be based on the traffic statistics described in Annex C together with such other data as may be considered relevant.

6. The procedures set forth in paragraphs 1, 2 and 3 above will remain in effect for a period of three years from the date of this Exchange of Notes and will continue in effect for subsequent periods of three years. However, either party may notify the other three months

in advance of the expiration of any three-year period that it desires to consult to review or revise the aforesaid procedures. In such event, consultation will be held promptly and will be prosecuted diligently in order to conclude the consultation prior to the expiration of the three-month period. In the event no agreement is reached in such consultation, the procedures set forth in paragraphs 1, 2 and 3 above will cease to be effective as of the expiration of the period during which such consultation was held.

Annex C to Final Act

Exchange of Statistics

The two Delegations agreed that the exchange of statistical data which has been in effect since January 1959 has been useful and should be continued with some modification in the detail of the reporting. For reference purposes, the basis on which the statistics are to be prepared and exchanged in the future is set forth below.

1. Reporting Periods.

Reports will continue to be compiled by the individual airlines covering alternate months of each year beginning with the month of January.

2. Due date of reports and method of exchange.

Airline reports will be transmitted to the aeronautical authorities of the other Government within sixty (60) days of the close of the reporting period. United States airline reports will be transmitted by the United States aeronautical authorities through the United States Embassy in Brazil to the Brazilian aeronautical authorities. Brazilian airline reports will be transmitted by the Brazilian aeronautical authorities through the United States Embassy in Brazil to the United States aeronautical authorities. In all cases the reports should carry a notation indicating they are submitted pursuant to the Exchange of Notes to which this document is attached.

3. Traffic to be reported.

The traffic to be reported will consist of the revenue traffic, by direction, in passengers, cargo and mail on board any aircraft of the reporting airline which serves a point in the territory of the other party pursuant to authority granted under the Air Transport Agreement. All traffic enplaned or deplaned in such territory will be reported by Freedom category; all traffic on board which is neither enplaned nor deplaned in such territory will be reported by numbers in the case of passengers and in the case of cargo and mail by weight in kilograms.

(Excess baggage need not be reported.) For each route segment on which reports are submitted, each airline will also provide information on the total number of seats offered during the month, the total number of revenue passengers carried, and the seat load factor.

4. Basis for collection of data.

The data to be reported by Freedom category will be derived from the ticket in the case of revenue passengers and from the waybill in the case of revenue cargo and mail traffic, and the reports shall show: (a) in the case of passengers, the initial origin and ultimate destination of the traffic as indicated by the ticket, and (b) in the case of cargo and mail, the initial on-line origin and the ultimate on-line destination of the traffic as indicated by the waybill, since actual true origin and destination data are not presently available for cargo and mail. In the case of a one-way trip the initial origin shall be the first point and the ultimate destination shall be the last point on the ticket or waybill or combination of tickets or combination of waybills. In the case of a circle or round trip a directional criterion will apply, that is, the point of deplanement farthest from the initial origin of the trip out, on the basis of the great circle distance, as shown on the ticket or combination of tickets, shall be the ultimate destination on the trip out and the point of initial origin on the return trip. A stopover or connection at a point or points along the route shown on the ticket or waybill does not change the initial origin and ultimate destination of the traffic.

5. Freedom classification of traffic.

The traffic shall be reported under the following categories: Third Freedom, Fourth Freedom, Fifth Freedom (Primary and Secondary), and Transit. These terms are defined for the purposes of this agreement as follows:

Third Freedom: traffic whose initial origin is a point in the home country of the reporting carrier.

Fourth Freedom: traffic whose ultimate destination is a point in the home country of the reporting carrier.

Fifth Freedom: traffic whose initial origin and ultimate destination are points outside the home country of the reporting airline. Primary Fifth Freedom is that traffic which is Fifth Freedom for the reporting airline and Third or Fourth Freedom for the airlines of the other party to this arrangement. Secondary Fifth Freedom is that traffic which is Fifth Freedom for the airlines of both parties to this arrangement.

Transit: traffic on board an aircraft of the reporting carrier on its arrival at and departure from a point in the territory of the other party which is neither enplaned nor deplaned in the territory of that party.

6. Route segments to be reported.

Each airline will report, by direction, the revenue traffic over the last route segment into and the first route segment out of the territory of the other party on all flights serving a point in that territory. When an airline's service over a reported segment operates to or from different gateways in the airline's homeland, the airline's reports covering reported segments between the two countries will be broken down so as to show separately the traffic carried on flights to or from each of such gateways.

Annex D to Final Act**Introduction of New Type Aircraft**

Under the Air Transport Agreement, the related note exchange of 1958, and Annex B of the Final Act, each designated airline has the right to decide which type of aircraft it wishes to use. Having in mind the possibility of new types of aircraft entering into service in the near future, and taking into consideration the desire of both Governments to assure that the introduction of such aircraft not be jeopardized, the Delegations decided that:

1. A designated airline planning to introduce a new type or types of aircraft over routes specified in the Route Schedule of the Agreement will notify the other Government, through diplomatic channels, at least six months before the intended date of introduction.
2. There should be regular and frequent consultations between the aeronautical authorities of the two Governments concerning plans for the introduction of new type aircraft.

Annex E to Final Act**Amendment of the Route Schedule**

The two Delegations agreed that the Route Schedule of the Agreement be amended to read, in its entirety, as follows:

ROUTE SCHEDULE

- A. An airline or airlines designated by the Government of the United States of America are accorded the right to pick up and

discharge international traffic in passengers, cargo and mail, separately or in combination, on the following routes, in both directions:

1. From the United States of America, via intermediate points in the Caribbean, Central America, and countries on the West Coast of South America to São Paulo and Rio de Janeiro.
2. From the United States of America, via intermediate points in the Caribbean and South America to Belem, Recife and beyond to Africa.
3. From the United States of America, via intermediate points in the Caribbean, Panama, and countries on the North and East Coasts of South America to Belem or Manaus, Brasilia, Rio de Janeiro, São Paulo, Porto Alegre and beyond Brazil to Uruguay and Argentina and beyond to Antarctica and beyond.
4. From the United States of America, via intermediate points in Middle America and countries on the North and East Coasts of South America to Belem or Manaus, Brasilia, Rio de Janeiro, São Paulo, Porto Alegre, and beyond Brazil to Uruguay and Argentina.
5. From the United States of America, via intermediate points in the Caribbean and South America to Rio de Janeiro and São Paulo and beyond to points in Africa south of the Equator.

B. An airline or airlines designated by the Government of the Federative Republic of Brazil are accorded the right to pick up and discharge international traffic in passengers, cargo and mail, separately or in combination, on the following routes in both directions:

1. From the Federative Republic of Brazil, via intermediate points in South America and Middle America, to Los Angeles. (Note 1)
2. From the Federative Republic of Brazil, via intermediate points in South America and the Caribbean, to Miami and Chicago.
3. From the Federative Republic of Brazil, via intermediate points in South America, the Caribbean and Panama, to Washington and New York.
4. From the Federative Republic of Brazil, via intermediate points on the East and North Coasts of South America and in the Caribbean, to Miami and New York and beyond to Canada.
5. From the Federative Republic of Brazil, via intermediate points in South America, to New York and beyond to Japan and beyond, via the intermediate point Anchorage. (Note 1)

Note 1. Operations over Route 1 may be extended beyond Los Angeles via the intermediate point Honolulu to Japan and beyond, until a Brazilian airline commences operations beyond New York over Route 5, at which time all rights to operate beyond Los Angeles over Route 1 shall terminate automatically.

C. Any point or points on any route or routes contained in this Route Schedule may be omitted in either or both directions at the option of the airline designated to operate such route or routes.

D. The airlines designated by one contracting party in accordance with the provisions of the Agreement will be permitted to operate other services across the territory of the other contracting party, without obligation of landing, by the most direct route between the points to be served so long as the safety of operation is not affected. In any case, the use of uneconomic and circuitous routings shall be avoided.

E. Flights of a designated airline which do not serve all the points granted in the routes contained in the Route Schedule may be operated by the most direct route between the points to be served so long as the safety of operation is not affected. In any case, the use of uneconomic and circuitous routings shall be avoided.

F. The airlines designated by one contracting party in accordance with the provisions of the Agreement will be permitted to land for non-traffic purposes in the territory of the other contracting party. Every airport in the territory of one of the contracting parties which is open to international operation shall be open under uniform conditions to the aircraft of the other contracting party for such non-traffic purposes.

G. For the purposes of this Route Schedule, the term "Middle America" is interpreted as including only those countries situated on the mainland between South America and the continental United States of America.

MINISTÉRIO DA AERONÁUTICA V. CONSULTA AERONÁUTICA REPÚBLICA FEDERATIVA DO BRASIL-ESTADOS UNIDOS DA AMÉRICA 1967-1968

Ata Final

Delegações do Governo da República Federativa do Brasil e do Governo dos Estados Unidos da América reuniram-se no Rio de Janeiro, de 15 de fevereiro a 18 de março de 1968 e de 15 de julho a 22 de julho de 1968, para continuar a Consulta realizada em Washington, entre 15 de junho a 18 de julho de 1967, para examinar assuntos de interesse mútuo relativos ao Acordo de Transporte Aéreo entre o Brasil e os Estados Unidos e a Emenda constante da troca de Notas de 1958 a êle relativas. Os membros das duas Delegações estão relacionados no Anexo A.

Durante a Consulta, ad referendum dos seus respectivos Governos, foram acordados os assuntos abaixo relacionados e constantes dos seguintes Anexos:

Anexo B—Procedimentos relativos à capacidade, a serem observados por ambos os Governos, para aplicar o Acôrdo e as Notas trocadas em 1958.

Anexo C—Trocada de estatísticas.

Anexo D—Introdução de novos equipamentos.

Anexo E—Modificação do Quadro de Rotas do Acôrdo.

Foi ainda acordado que para fins de registro junto à OACI da modificação do Quadro de Rotas do Acôrdo, depois da revisão e aprovação da presente Ata Final e seus Anexos, ambos os Governos trocarão Notas, cobrindo o texto do Anexo E.

Discutiram-se ainda outros assuntos de interesse mútuo e os resultados de tais discussões se resumem como se segue:

a. Desejo brasileiro de uma rota para a Europa, via Nova York

A Delegação brasileira manifestou continuado interesse em uma rota para um ponto na Europa, via Nova York, e confia que os Estados Unidos poderão reconsiderar o assunto no futuro. A Delegação dos Estados Unidos explicou as dificuldades que tal rota criaria para seu Governo, mas indicou que os Estados Unidos se dispõem a examinar essa questão, novamente, no futuro.

b. Cancelamento da Seção VIII do Anexo ao Acôrdo de Transporte Aéreo

A Delegação dos Estados Unidos sugeriu que o Acôrdo de Transporte Aéreo seja emendado para cancelar a Seção VIII de seu Anexo. A Delegação brasileira declarou que esta sugestão seria considerada.

A presente Ata Final é assinada pelos Chefes de ambas as Delegações, em dois originais, em inglês e português, ambos igualmente autênticos e, juntamente com seus Anexos, entrará em vigor mediante confirmação dos seus respectivos Governos, por troca de Notas.

RIO DE JANEIRO, 24 de Julho de 1968

CANDIDO DOS SANTOS

JOHN S. MEADOWS

Tenente Brigadeiro Martinho

John S. Meadows

Cândido dos Santos
Chefe da Delegação do Brasil.

Chefe da Delegação dos Estados
Unidos da América.

Anexo a à Ata Final
Delegação Americana

1ª Fase – Washington, junho/julho de 1967

Chefe:	Henry T. Snowdon	- Chefe, Seção de Negociações de Aviação. Departamento de Estado.
Delegados:	Hon. Whitney Gilliland	- Membro do Conselho de Aeronáutica Civil.
	Richard J. O'Melia	- Vice-Diretor do Departamento de Negócios Internacionais, do Conselho de Aeronáutica Civil.
	Nathaniel Wilson	- Conselheiro da Divisão de Aviação do Departamento de Estado.
	Joseph McKenna	- Conselheiro do Departamento de Negócios Internacionais, do Conselho de Aeronáutica Civil.
Observador:	Gabriel Phillips	- Associação de Transporte Aéreo.

2ª Fase – Rio de Janeiro, fevereiro/março de 1968

Chefe:	John S. Meadows	- Diretor, Divisão de Aviação, Departamento de Estado.
Delegados:	Dorothy B. Thomas	- Chefe, Área Geográfica I, Departamento de Negócios Internacionais, Conselho de Aeronáutica Civil.
	Frank M. Ravndal	- Encarregado da Divisão de Transportes e Comunicações da Embaixada dos Estados Unidos, no Rio de Janeiro.
Assessor:	Gabriel Phillips	- Associação de Transporte Aéreo.

3ª Fase – Rio de Janeiro, Julho de 1968

Chefe:	John S. Meadows	- Director, Divisão de Aviação, Departamento de Estado.
Delegados:	Hon. Whitney Gilliland	- Membro do Conselho de Aeronáutica Civil.
	Dorothy B. Thomas	- Chefe, Área Geográfica I, Departamento de Negócios Internacionais, Conselho de Aeronáutica Civil.
	Frank M. Ravndal	- Encarregado da Divisão de Transportes e Comunicações da Embaixada dos Estados Unidos, no Rio de Janeiro.
Observador:	Gabriel Phillips	- Associação de Transporte Aéreo.

Anexo a à Ata Final
Delegação Brasileira

1ª Fase – Washington junho/julho 1967

Chefe:	- Maj. Brig. Martinho Cândido dos Santos—Presidente da CERNAI e Diretor Geral de Aeronáutica Civil
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Delegados: - Conselheiro Sergio Weguelin Vieira—Representante do Itamaraty e Membro da CERNAI
 Cel Av Horácio Monteiro Machado—Diretor da Divisão de Transporte Aéreo da CERNAI e Membro da CERNAI
 Dr. Expedito Albano da Silveira—Diretor da Divisão de Política Aérea Internacional e Assuntos Jurídicos da CERNAI e Membro da CERNAI
 Dr. José Ribamar de Faria Machado—Divisão Legal da DAC e Membro da CERNAI
 Assessor: - João Baptista Andrade—Representante da VARIG

2ª Fase - Rio de Janeiro fevereiro/março 1968

Chefe: - Ten Brig Martinho Cândido dos Santos—Presidente da CERNAI e Diretor Geral da Aeronáutica Civil
 Delegados: - Conselheiro Sergio Weguelin Vieira—Representante do Itamaraty e Membro da CERNAI
 Conselheiro Murillo Gurgel Valente—Representante do Itamaraty
 Dr. Eugênio Seifert—Director da Divisão de Navegação Aérea da CERNAI e Membro da CERNAI
 Dr. Expedito Albano da Silveira—Director da Divisão de Política Aérea Internacional e Assuntos Jurídicos da CERNAI e Membro da CERNAI
 Dr. Jose Ribamar de Faria Machado—Divisão Legal da DAC e Membro da CERNAI
 Ten Cel Av Pompeu Marques Perez—Director da Divisão do Trafego da DAC e Membro da CERNAI
 Assessor: - João Baptista Andrade—Representante da VARIG

3ª Fase - Rio de Janeiro julho de 1968

Chefe: - Ten Brig Martinho Cândido dos Santos—Presidente da CERNAI e Director Geral de Aeronautica Civil
 Delegados: - Dr. Eugênio Seifert—Director da Divisão de Navegação Aérea da CERNAI e Membro da CERNAI
 Dr. Jose Ribamar de Faria Machado—Director da Divisão de Política Aérea Internacional e Assuntos Jurídicos da CERNAI e Membro da CERNAI
 Ten Cel Av Pompeu Marques Perez—Director da Divisão do Trafego da DAC e Membro da CERNAI
 Dr. Jose da Silva Pacheco—Assessor do Ministro da Aeronáutica para Assuntos Jurídicos e Membros da CERNAI
 Sec. Ruy Antônio Pinheiro de Vasconcellos—Representante do Itamaraty e Adjunto do Membro efetivo na CERNAI.
 Assessores: - João Baptista Andrade—Representante da VARIG Wilma Coutinho Pereira Baena—Secretaria do Plenário da CERNAI.

Anexo B a Ata Final

Procedimento Sobre Capacidade

As duas Delegações discutiram as Cláusulas de Capacidade do Acôrdo e o efeito de um pedido de Consulta para examinar a capa-

cidade oferecida pelas suas respectivas empresas aéreas, na conformidade do Acordo e particularmente da troca de Notas de 1º de dezembro de 1958, relativamente às garantias contra o aumento de capacidade claramente excessivo e contra a imposição unilateral de limitações de capacidade. Como resultado da Consulta, as duas Delegações reafirmaram estas garantias e concordaram na adoção dos seguintes procedimentos:

1 — um horário que estabeleça um aumento de capacidade (exceto os mencionados no item 3) deverá ser submetido pela empresa aérea interessada diretamente ao seu próprio Governo para exame. Caso pareça a este Governo que o aumento proposto se ajusta aos dispositivos do Acordo e ao estabelecido nas Notas trocadas em 1º de dezembro de 1958, bem como a outros fatores aplicáveis este Governo transmitirá o horário às Autoridades aeronáuticas do outro Governo pelo menos 30 dias antes da data prevista para o início do serviço proposto. O Governo que transmite o horário, deverá indicar que examinou o aumento proposto à luz dos dispositivos do Acordo, das Notas trocadas e de outros fatores aplicáveis e que chegou à conclusão de que o aumento proposto é apropriado.

2 — a. Caso as Autoridades aeronáuticas do outro Governo considerem que um horário estabelecendo um aumento de capacidade, apresentado na forma do item 1 acima, poderá estar em desacordo com os dispositivos do Acordo e as respectivas Notas trocadas, farão uma notificação, através dos canais diplomáticos, às Autoridades do Governo da respectiva empresa aérea e poderão solicitar Consulta para considerar a questão. Esta notificação deverá especificar a escala em cada um dos dois países, entre as quais os novos serviços causam preocupação, entendendo-se para este efeito Los Angeles e S. Francisco de um lado e São Paulo e Rio de Janeiro do outro como uma só escala. As Partes envidarão esforços para que a Consulta seja concluída antes da data prevista para o início do horário.

b. Quando ambos os Governos acordarem durante a Consulta que o novo horário deva ser modificado, o Governo da empresa aérea em questão promoverá a modificação do horário de modo a traduzir o entendimento alcançado.

c. Quando não se chegar a um entendimento ou quando a Consulta não tenha sido concluída antes da data prevista para o início do horário proposto, o horário em questão poderá entrar em vigor. Entretanto, pelo período de nove meses, a partir da data da entrada em vigor deste horário, o Governo da empresa aérea interessada não transmitirá horários que estabeleçam novos aumentos para aquela empresa aérea nos serviços entre as escalas que foram especificadas na notificação mencionada na alínea a do item 2 acima, salvo acordo mútuo em contrário, em consulta realizada durante este período.

3 — Um horário que não estabeleça aumento na capacidade total de uma empresa aérea ou que reestabeleça capacidade operada durante a mesma estação do ano anterior, será submetido pela em-

prêsa aérea interessada diretamente às Autoridades aeronáuticas do outro Governo, para fins informativos, pelo menos quinze dias antes da data de entrada em vigor. Para os efeitos dêste item fica entendido que, um aumento de capacidade que resulte de uma substituição rotineira de aeronave ou de uma modificação rotineira na configuração da aeronave, não será considerado como um aumento na capacidade total.

4 - A Consulta para examinar serviços existentes poderá ser solicitada sempre que uma das Partes julgue, à luz da experiência operacional efetiva de seis meses ou mais, que os serviços realizados pela empresa ou pelas empresas aéreas da outra Parte estão transgredindo os dispositivos sobre capacidade do Acordo. Os serviços em questão poderão continuar a operar, pendentes da conclusão da Consulta.

5 - A revisão conjunta de que tratam os itens 2 e 4 acima será baseada nas estatísticas do tráfego descritas no Anexo C, juntamente com outros dados que possam ser considerados relevantes.

6 - Os procedimentos estabelecidos nos itens 1, 2 e 3 permanecem em vigor por um período de 3 anos, a partir da data desta troca de Notas, e continuarão em vigor por períodos subsequentes de três anos. Entretanto, qualquer das partes poderá notificar à outra três meses antes de expirar qualquer período de três anos, de que deseja uma Consulta para examinar ou rever os supramencionados procedimentos. Nessa eventualidade, a Consulta será feita prontamente e prosseguirá diligentemente, no sentido de ser concluída antes da expiração do período de três meses. No caso de não ser alcançado um acordo nessa Consulta, os procedimentos estabelecidos nos itens 1, 2 e 3 acima deixarão de vigorar quando da expiração do período durante o qual essa Consulta foi feita.

Anexo C a Ata Final

Troca de Estatísticas

As duas Delegações concordaram que a troca de dados estatísticos em vigor desde janeiro de 1959, tem sido útil e deverá ser continuada com alguma modificação nos detalhes do relatório. Para este propósito, são estabelecidas abaixo as bases para o preparo e troca de estatísticas no futuro.

1 - Períodos Relatados

Relatórios continuarão a ser compilados pelas empresas aéreas, cobrindo meses alternados de cada ano começando pelo mês de janeiro.

2 – Data de entrega dos relatórios e método de troca

Os relatórios das empresas aéreas serão transmitidos às Autoridades aeronáuticas do outro Governo dentro de sessenta (60) dias do encerramento do período relatado.

Os relatórios das empresas aéreas dos Estados Unidos serão transmitidos pelas Autoridades aeronáuticas dos Estados Unidos através da Embaixada desse país no Brasil as Autoridades aeronáuticas do Brasil. Os relatórios das empresas aéreas brasileiras serão transmitidos pelas Autoridades aeronáuticas brasileiras através da Embaixada dos Estados Unidos no Brasil as Autoridades aeronáuticas dos Estados Unidos.

Em todos os casos, os relatórios deverão levar a indicação de que êles são submetidos de acordo com a troca de Notas que formalizar êste documento.

3 – Tráfego a ser relatado

O tráfego a ser relatado consiste de tráfego remunerado de passageiros, carga e correio a bordo de qualquer aeronave da respectiva empresa, que serve um ponto no território da outra Parte, conforme autorização concedida pelo Acordo de Transporte Aéreo.

Todo tráfego embarcado ou desembarcado em cada território será relatado pela categoria da liberdade; todo tráfego a bordo, que não é nem embarcado nem desembarcado no território da Parte Contratante, será relatado por números, no caso de passageiros e, no caso de carga e correio, pelo peso em quilograma (excesso de bagagem não precisa ser relatado). Para cada segmento de rota no qual relatórios devam ser submetidos, cada empresa também fornecerá o número total de assentos oferecidos durante o mês, o número total de passageiros transportados e o aproveitamento dos assentos.

4 – Bases para coleta de dados

Os dados a serem relatados, por categoria de liberdade, serão derivados do bilhete de passagem, no caso de passageiros e, do manifesto de carga no caso de tráfego de carga ou de correio e os relatórios mostrarão:

- a) no caso de passageiros, a origem e o destino do tráfego como indicado pelo bilhete de passagem e
- b) no caso de carga e correio, origem será o ponto de embarque e destino o ponto de desembarque, como indicado no manifesto de carga, uma vez que atualmente os dados de origem e destino verdadeiros não existem para carga e correio.

No caso de uma viagem simples, a origem sera o primeiro ponto e o destino será o último ponto constante do bilhete de passagem ou do manifesto de carga ou da combinação de bilhetes de passagem ou manifesto de carga.

No caso de viagem circular ou de ida e volta, será aplicado o critério direcional, isto é, o ponto de desembarque mais afastado do ponto de origem da viagem, tomada na base da distância sobre grande círculo, tal como aparece no bilhete de passagem ou combinação de bilhetes de passagens, será o destino final na viagem de ida e ao mesmo tempo o ponto inicial na viagem de volta.

Um "stop-over" ou conexão em um ponto ou pontos ao longo da rota, mostrados no bilhete ou manifesto de carga, não mudam a origem e o destino do tráfego.

5 - Classificação do tráfego por Liberdades

O tráfego será relatado nas seguintes categorias: 3^a Liberdade, 4^a Liberdade, 5^a Liberdade (primária e secundária) e trânsito. Tais termos, para os efeitos dêsse documento são definidos como se segue:

3^a Liberdade—tráfego cuja origem é um ponto no país do respectivo transportador;

4^a Liberdade—tráfego cujo destino final é um ponto no país do respectivo transportador;

5^a Liberdade—tráfego cuja origem e destino são pontos fóra do país do respectivo transportador;

5^a Liberdade primária—tráfego que é 5^a Liberdade para o respectivo transportador e 3^a e 4^a Liberdades para o transportador da outra Parte Contratante;

5^a Liberdade secundária—tráfego que é 5^a Liberdade para os transportadores de ambas as Partes Constatantes;

Trânsito—tráfego que está a bordo de uma aeronave do respectivo transportador na sua chegada e na sua saída de um ponto no território da outra Parte Contratante, o qual não é embarcado nem desembarcado no território desta dita Parte Contratante.

Anexo D à Ata Final

Introdução de Novo Tipo de Aeronave

Nos termos do Acôrdo de Transportes Aéreos, da troca de Notas de 1958 e do Anexo B desta Ata Final, cada emprêsa aérea designada tem o direito de decidir que tipo de aeronave deseja utilizar. Tendo em mente a possibilidade de novo tipo de aeronave entrar em serviço em furto próximo e levando em consideração o desejo de ambos os Governos de assegurar que a introdução de tal aeronave não seja posta em risco, as Delegações decidiram que:

1 — A emprêsa designada que pretenda introduzir novo tipo ou tipos de aeronave em rotas especificadas no Quadro de Rotas dêste Acôrdo,

notificará o outro Governo, através dos canais diplomáticos, pelo menos seis meses antes da data prevista para a introdução do novo tipo de aeronave em aprêço.

2 - Deverá haver Consultas regulares e freqüentes, entre as Autoridades aeronáuticas dos dois Governos, com relação aos planos para a introdução do novo tipo de aeronave.

Anexo E à Ata Final

Emendas do Quadro de Rotas

As duas Delegações acordaram que o Quadro de Rotas do Acordo seja emendado, para passar a vigorar como segue:

QUADRO DE ROTAS

A - À empresa aérea ou às empresas aéreas designadas pelo Governo dos Estados Unidos da América são concedidos os direitos de embarcar e desembarcar tráfego internacional de passageiros, carga e mala postal, separadamente ou em combinação, nas seguintes rotas, em ambas as direções:

1 - dos Estados Unidos da América, via pontos intermediários no Caribe, América Central e países na Costa Oeste da América do Sul, para São Paulo e Rio de Janeiro;

2 - dos Estados Unidos da América, via pontos intermediários no Caribe e América do Sul, para Belém, Recife e além para a África;

3 - dos Estados Unidos da América, via pontos intermediários no Caribe, Panamá e países nas Costas Norte e Leste da América do Sul, para Belém ou Manaus, Brasília, Rio de Janeiro, São Paulo, Pôrto Alegre e além para o Uruguai e Argentina e além para a Antártica e além;

4 - dos Estados Unidos da América, via pontos intermediários na América Média e países nas Costas Norte e Leste da América do Sul, para Belém ou Manaus, Brasília, Rio de Janeiro, São Paulo, Pôrto Alegre e além para Uruguai e Argentina;

5 - dos Estados Unidos da América, via pontos intermediários no Caribe e na América do Sul, para o Rio de Janeiro e São Paulo e além para pontos na África, ao Sul do equador.

B - À empresa aérea ou empresas aéreas designadas pelo Governo da República Federativa do Brasil, são concedidos os direitos de embarcar e desembarcar tráfego internacional de passageiros, carga e mala postal, separadamente ou em combinação, nas seguintes rotas, em ambas as direções:

1 - da República Federativa do Brasil, via pontos intermediários na América do Sul e América Média, para Los Angeles. (Nota 1);

2 – da República Federativa do Brasil, via pontos intermediários na América do Sul e no Caribe para Miami e Chicago;

3 – da República Federativa do Brasil, via pontos intermediários na América do Sul, Caribe e Panamá, para Washington e Nova York;

4 – da República Federativa do Brasil, via pontos intermediários nas Costas Leste e Norte da América do Sul e no Caribe, para Miami e Nova York e além para o Canadá;

5 – da República Federativa do Brasil, via pontos intermediários na América do Sul para Nova York e além via o ponto intermediário de Anchorage, para o Japão e além (Nota 1).

Nota 1. As operações da rota 1 poderão ser estendidas além Los Angeles, via o ponto intermediário Honolulu para o Japão e além até que uma emprêsa aérea brasileira comece as operações além Nova York na rota 5, ocasião em que todos os direitos de operar além Los Angeles na rota 1 terminarão automaticamente.

C – Qualquer ponto ou pontos das rotas contidas neste Quadro de Rotas poderão ser omitidos em uma ou ambas as direções, a critério da emprêsa aérea designada para operar essa rota ou rotas.

D – As emprêses aéreas designadas por uma Parte Contratante, nos termos do Acordo, serão autorizadas a operar outros serviços através do território da outra Parte Contratante, sem obrigação de pouso, pela rota mais direta entre os pontos a serem servidos na medida em que a segurança de operação não seja afetada. Em qualquer caso, o uso de itinerários antieconómicos e não razoavelmente diretos será evitado.

E – Os vôos de uma emprêsa aérea designada que não sirvam todos os pontos concedidos nas rotas contidas no Quadro de Rotas poderão ser operados pela rota mais direta entre os pontos a serem servidos, na medida em que a segurança da operação não seja afetada.

Em qualquer caso, o uso de itinerários antieconómicos e não razoavelmente diretos será evitado.

F – As emprêses aéreas designadas por uma Parte Contratante, nos termos do Acordo, serão autorizadas a efetuar pouso técnico, no território da outra Parte Contratante. Todo o aeroporto no território de uma das Partes Contratantes, que esteja aberto ao tráfego internacional, será aberto em condições uniformes à aeronave da outra Parte Contratante, para esse pouso técnico.

G – Para os efeitos d'este Quadro de Rotas, a expressão América Média é entendida como incluindo sómente aqueles países localizados no Continente, entre a América do Sul e o território continental dos Estados Unidos da América.

6 – Segmentos de rotas a serem relatados

Cada transportador de uma Parte Contratante relatará, por direção, o tráfego remunerado sobre o último segmento de rota na entrada e o primeiro segmento de rota na saída território da outra Parte Contratante em todos os vôos que sirvam um ponto no território desta Parte Contratante. Quando o serviço de um transportador em um segmento que deve ser relatado opera de ou para diferentes pontos de entrada ou saída no território do respectivo transportador, os relatórios referentes aos segmentos entre os dois países serão desdobrados de maneira a indicar separadamente o tráfego transportado nos vôos de ou para cada um de tais pontos.

EGYPT

Claims of United States Nationals

*Agreement signed at Cairo May 1, 1976;
Entered into force October 27, 1976.
With related notes and agreed minute.*

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES
OF AMERICA

AND

THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT
CONCERNING CLAIMS OF NATIONALS
OF THE UNITED STATES

The Government of the United States of America and the Government of the Arab Republic of Egypt, being desirous of effecting a settlement of claims of nationals of the United States against the Arab Republic of Egypt, and desiring further to advance friendly cooperation and beneficial economic relations between the two countries, have agreed as follows:

TIAS 8446

ARTICLE I

1. The Government of the Arab Republic of Egypt (hereinafter referred to as the Egyptian Government) agrees to pay, and the Government of the United States agrees to accept, the sum of \$10,000,000 (Ten Millions) in United States currency in full settlement and discharge of all the claims of nationals of the United States against the Egyptian Government which are described in this Agreement.

2. Payment of the sum of U.S. \$10,000,000 (Ten Millions) by the Egyptian Government shall be made to the United States Department of State in six semi-annual installments of \$1,666,666.66 in United States currency, with the first installment to be paid on the tenth day of January, and the second installment to be paid on the tenth day of July, and thereafter on the same dates, commencing on the tenth day of January, 1977

ARTICLE II

1. The claims which are referred to in Article I, and which are being settled and discharged by this Agreement, are claims of nationals of the United States for:

Property, rights and interests in Egypt affected by Egyptian measures of land reform, sequestration, nationalization, expropriation, confiscation and other restrictive measures

against such property, rights and interests,
as well as financial and fiscal matters
decreed by the Arab Republic of Egypt, which
occurred since January 1, 1952, and before
the entry into force of this Agreement.

2. The Egyptian Government declares that, having regard
for Egypt's established respect for its obligations under
international law, and in view of provisions in similar
agreements previously concluded by the Egyptian Government
with other Governments, the lump sum referred to in Article I
has been arrived at in accordance with applicable Egyptian
laws including, but not limited to, those enumerated
hereinafter.

(a) Regarding Land Reform:

Law No. 127 of 1961 as amended.
Law No. 15 of 1963 as amended.

(b) Regarding Sequestration:

Emergency Law No. 162 of 1958, as amended.
Law No. 150 of 1964.
General Sequestration Laws and Decrees.

(c) Regarding Nationalization.

Laws Nos. 117, 118 and 119 of 1961 and
similar complete or partial nationalization
laws issued in the Arab Republic of Egypt.

(d) Regarding Expropriation for Public Utilities:

Law No. 577 of 1954

(e) Regarding Financial and Fiscal Matters.

Applicable Laws, Decrees and Regulations.

ARTICLE III

For the purpose of this Agreement, the term "national of the United States" means (a) a natural person who is a citizen of the United States, or who owes permanent allegiance to the United States, and (b) a corporation or other legal entity which is organized under the laws of the United States, any State or Territory thereof or the District of Columbia, if natural persons who are nationals of the United States own, directly or indirectly, more than 50 per centum of the outstanding stock or other beneficial interest in such legal entity

ARTICLE IV

The distribution of the lump sum referred to in Article I of this Agreement falls within the exclusive competence of the Government of the United States in accordance with such methods of distribution as it may choose to adopt, without any responsibility arising therefrom for the Egyptian Government.

ARTICLE V

1. The Government of the United States declares that full payment of the lump sum referred to in Article I of this Agreement shall fully discharge the Egyptian Government from its obligations and liabilities to nationals of the

United States in respect of all claims referred to in Article II of this Agreement whether or not they have been brought to the attention of the Egyptian Government.

2. Following upon the discharge of its obligations and liabilities to nationals of the United States referred to in paragraph 1 above of this Article, the Egyptian Government shall subrogate to all the legal rights and interests in properties involved in such claims in the place and stead of the claimants concerned.

3. After the entry into force of this Agreement, the Government of the United States will neither espouse nor present to the Egyptian Government the claims of nationals of the United States which have been referred to in, and settled by, this Agreement. In the event that such claims are presented by nationals of the United States directly against the Egyptian Government, the Egyptian Government will refer them to the Government of the United States

ARTICLE VI

1. With a view to assisting the Government of the United States in its distribution to nationals of the United States who are claimants of the sum to be paid by the Egyptian Government, the Egyptian Government will, upon the written request of the Government of the United States, furnish and supply such information, evidence and records, including details as to the ownership and value of

property and rights and interests in and with respect to such property, as may be necessary or appropriate for that purpose and, in the event that such information, evidence and records are deemed insufficient, permit examination by representatives of the Government of the United States, to the extent allowed by Egyptian law, of such information, evidence and records in the possession of the Egyptian Government, regarding any property, rights and interests therein claimed to have been nationalized, sequestered, expropriated, confiscated or otherwise to have been subjected to other restrictive measures by the Arab Republic of Egypt, as well as financial and fiscal matters.

2. With a view to protecting the Egyptian Government from further potential claims which may be asserted through third countries, or otherwise, with respect to the same claims settled by this Agreement, the Government of the United States will, upon the written request of the Egyptian Government, furnish and supply to the Egyptian Government copies of such formal statement of claims as might have been made by nationals of the United States who are claimants, and copies of decisions with respect to the validity and amounts of such claims

3. With respect to particular claims found to be valid by the Government of the United States, the Government of the United States will, upon the written request of the Egyptian Government, furnish and supply to the Egyptian Government original documents or other muniments of title that may be in the possession of the Government of the United States

pertaining to the property, rights and interests therein, which have been nationalized, sequestrated, expropriated, confiscated or otherwise have been subjected to other restrictive measures by the Arab Republic of Egypt upon which the claims were established, including securities of juridical persons owned by the claimants, if the property of such juridical persons shall have been nationalized, sequestrated, expropriated, confiscated or otherwise have been subjected to other restrictive measures by the Egyptian Government. In the event that a particular claim might not have been based on such documents, the Government of the United States will furnish and supply to the Egyptian Government other competent evidence or a release executed by the claimant.

4. The Egyptian Government will, upon the written request of the Government of the United States, furnish and supply copies of all Arab Republic of Egypt laws, decrees or other restrictive measures enumerated in Article II of this Agreement.

5. Either Government will furnish and supply to the other Government the necessary information and appropriate assistance referred to in paragraphs (1), (2), (3) and (4) above of this Article in accordance with any procedures that may be agreed upon by the two Governments

ARTICLE VII

For the purposes of this Agreement, the value of the Egyptian pound is specified at U.S. \$2.55 (two dollars and fifty-five cents).

ARTICLE VIII

The present Agreement shall enter into force upon an exchange of Notes stating each Government's final approval of the Agreement. [1]

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments have signed the present Agreement.

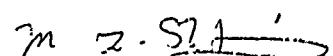
DONE at CAIRO, EGYPT, this first day of May, 1976.

For the Government of the
United States

For the Government of the
Arab Republic of Egypt



Charles W. Robinson
Deputy Secretary
U.S. Department of State



Dr. Mohamed Zaki Shafei
Minister of Economy of the
Arab Republic of Egypt

¹ Oct. 27, 1976.

[RELATED NOTES]

Cairo,
Arab Republic of Egypt

May 1, 1976

Excellency.

I have the honor to refer to the Agreement signed today by the Government of the Arab Republic of Egypt and the Government of the United States concerning the settlement of claims of nationals of the United States against the Government of the Arab Republic of Egypt.

In connection with the claim of the American Mission in Egypt, which is covered by the Agreement referred to above, both our Governments agreed that a specific amount of the agreed lump sum of U.S. \$10,000,000 (Ten Millions) shall be earmarked for the settlement of this case, which shall be payable in Egypt in Egyptian pounds. This specific amount is compensation being paid by the Egyptian Government for the following properties as well as other considerations

- (a) Assiut "L" - shape land of about 11,000 square meters on Gomhouriyya Street taken by Agrarian Reform Authority under Law No. 15 of 1963 and given to the Religious Institute for Young Azhar Girls on April 13, 1974,
- (b) Assiut Zone Playground of about 16,000 square meters on Tharra and Makhanna Streets taken by Agrarian Reform Authority, which is being used by the Ministry of Education,

His Excellency

Charles W. Robinson

Deputy Secretary

U.S. Department of State

Washington, D.C.

- (c) Assiut Girls College, land on Girls College Street of about 4,600 square meters taken by the Agrarian Reform Authority; and
- (d) Property No 72 in Courts Square on Gomhouriyah Street in Assiut of about 3,240 square meters taken under Law No. 577 of 1952 for Public Utility.

This amount is to be distributed by the Government of the United States within its exclusive competence in accordance with the terms and provisions of the said Agreement.

With regard to the New Faith General Hospital (ex-American Hospital) in Assiut, which is under lease for 3 years with the Ministry of Health until December 31, 1977, and the Military Hospital in Ure Hall in Boys Preparatory School, Assiut, which is being used by the Egyptian Army as a military hospital, the responsible Egyptian authorities concerned will faithfully perform and execute the agreements in force pertaining to them. Upon the termination of the applicable agreements, the responsible Egyptian authorities concerned will make mutually satisfactory arrangements with the American Mission in Egypt concerning the future use and disposition of the said premises

Further, the Government of the Arab Republic of Egypt will take appropriate steps to settle amicably all tax claims of whatever nature which may be pending against the American Mission in Egypt, including but not limited to the claim of the Egyptian Tax Authorities for back income taxes in the amount of LE 118,542.894 for the period 1939-1967. In the event that no satisfactory arrangements have been made

within a reasonable period to settle this matter, the American Mission in Egypt will have the right to raise it for the further consideration of the two Governments.

I would be grateful if Your Excellency would confirm that the Government of the United States is in accord with the foregoing.

Accept, Excellency, the assurances of my highest consideration.

m = SZ

Mohamed Zaki Shafei
Minister of Economy

CAIRO,
ARAB REPUBLIC OF EGYPT

MAY 1, 1976

EXCELLENCY.

I have the honor to acknowledge the receipt of your letter of today's date which in the English translation reads as follows:

"I have the honor to refer to the Agreement signed today by the Government of the Arab Republic of Egypt and the Government of the United States concerning the settlement of claims of nationals of the United States against the Government of the Arab Republic of Egypt.

In connection with the claim of the American Mission in Egypt, which is covered by the Agreement referred to above, both our Governments agreed that a specific amount of the agreed lump sum of U.S. \$10,000,000 (Ten Millions) shall be earmarked for the settlement of this case, which shall be payable in Egypt in Egyptian pounds. This specific amount is compensation being paid by the Egyptian Government for the following properties as well as other considerations:

- (a) Assiut "L"-shape land of about 11,000 square meters on Gumhouriyya Street taken by Agrarian Reform Authority under Law No. 15 of 1963 and given to the Religious Institute for Young Azhar Girls on April 13, 1974,
- (b) Assiut Zone Playground of about 16,000 square meters on Tharra and Makhanna Streets taken by Agrarian Reform Authority, which is being used by the Ministry of Education,
- (c) Assiut Girls College, land on Girls College Street of about 4,600 square meters taken by the Agrarian Reform Authority; and
- (d) Property No. 72 in Courts Square on Gumhouriyya Street in Assiut of about 3,240 square meters taken under Law No. 577 of 1952 for Public Utility

This amount is to be distributed by the Government of the United States within its exclusive competence in accordance with the terms and provisions of the said Agreement.

With regard to the New Faith General Hospital (ex-American Hospital) in Assiut, which is under lease for 3 years with the Ministry of Health until December 31, 1977, and the Military Hospital in Ure Hall in Boys Preparatory School, Assiut, which is being used by the Egyptian Army as a military hospital, the responsible Egyptian authorities concerned will faithfully perform and execute the agreements in force pertaining to them. Upon the termination of the applicable agreements, the responsible Egyptian authorities concerned will make mutually satisfactory arrangements with the American Mission in Egypt concerning the future use and disposition of the said premises.

Further, the Government of the Arab Republic of Egypt will take appropriate steps to settle amicably all tax claims of whatever nature which may be pending against the American Mission in Egypt, including but not limited to the claim of the Egyptian Tax Authorities for back income taxes in the amount of LE 118,542.894 for the period 1939–1967. In the event that no satisfactory arrangements have been made within a reasonable period to settle this matter, the American Mission in Egypt will have the right to raise it for the further consideration of the two Governments.

I would be grateful if Your Excellency would confirm that the Government of the United States is in accord with the foregoing."

I have the honor to inform you that the Government of the United States agrees that your letter contains the correct understanding of both our Governments concerning the case in question.

Accept, Excellency, the assurances of my highest consideration.

CHARLES W ROBINSON

Charles W. Robinson
Deputy Secretary

His Excellency

Dr. MOHAMED ZAKI SHAFEI
Minister of Economy
Cairo, Arab Republic of Egypt

AGREED MINUTE

1. In the course of the negotiations in the joint United States/Egyptian Committee on Claims on the Agreement between the Government of the United States of America and the Government of the Arab Republic of Egypt concerning claims of nationals of the United States, which was signed today, the United States Delegation, in behalf of the Government of the United States stated that, notwithstanding any provision or language to the contrary appearing in the referenced Agreement, and without prejudice to the validity of such claims, or of the positions of either Government thereon, the following enumerated official claims of the Government of the United States and certain specific private claims of nationals of the United States have been excluded from the referenced Agreement.

(A) Official Claims of the Government of the United States.

All official claims of the Government of the United States, its departments and agencies including but not limited to:

- (i) Department of Agriculture, Food for Peace
claims of the Catholic Relief Services and
CARE.
- (ii) Claims of the Government of the United
States for damages arising out of attacks
in 1967 on (a) the USIS Library in
Alexandria, (b) the American Consulate
General building in Alexandria, and (c) the
American Consulate Building in Port Said.

- (iii) Claims for demolition by Egyptian Ministry of Reconstruction of building on the so-called Ghalli property in Giza, and incidental expenses
- (iv) Claim of the Government of the United States (U.S. Navy) in respect of the detention of the SS AFRICAN GLEN in the Suez Canal in the period 1967-1970.
- (v) Blocked accounts in Egyptian banks in the name of the Government of the United States, its departments and agencies.

(B) Private Claims of Nationals of the United States.

- (i) Claim of Farrell Lines, Inc., in respect of the detention of the SS AFRICAN GLEN in the Suez Canal in the period 1967-1970, and
- (ii) Claim of Mr Arthur Liman, Trustee in Bankruptcy of eight shipping companies formerly controlled by Manuel Kulukundis in proceedings in the United States District Court of New York (Matter Sea Trade Corporation, et al 63-B-216) to funds in the National Bank of Egypt in the name of the Treasury of the Port Said High Court (Commercial) in proceedings in respect of the former SS BRIDGEHAMPTON, an ex-U.S. vessel. Both of these cases are not covered by Egyptian land reform, nationalization, sequestration and confiscation measures.

(iii) Claims of U.S. nationals for contractual and debt obligations against the Egyptian Government which are not covered by Egyptian land reform, nationalization, sequestration and confiscation measures.

2. The Egyptian Delegation stated that the aforementioned claims were not within the competence of the Joint United States/Egyptian Committee on Claims whose jurisdiction was limited to consideration of claims of United States nationals for property, rights and interests affected by Egyptian measures of land reform, sequestration, expropriation, confiscation and other restrictive measures as set forth in Article II of the referenced Agreement.

3. The United States Delegation further stated that it was the intention of the Government of the United States to raise the aforementioned claims for negotiations through diplomatic channels between the two Governments.

4. With regard to Article III of the referenced Agreement on the definition of "national of the United States," the Government of the United States recognized and applies the principle of international law concerning the dominant and effective nationality of dual nationals.

DONE at CAIRO, EGYPT, this first day of May, 1976.

For the Government of the
United States

For the Government of the
Arab Republic of Egypt



Charles W. Robinson
Deputy Secretary of State



Mohamed Riad
Minister of State
for Foreign Affairs

PAKISTAN

Debt Consolidation and Rescheduling

*Agreement signed at Washington March 4, 1976;
Entered into force May 12, 1976.
With memorandums of understanding
Signed July 31, 1973 and June 28, 1974.*

(4231)

TIAS 8447

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA AND
THE ISLAMIC REPUBLIC OF PAKISTAN
REGARDING CONSOLIDATION AND RESCHEDULING

The United States of America ("United States") and the Islamic Republic of Pakistan ("Pakistan") desiring to carry out the mutual intentions of the United States, Pakistan, and other creditor nations regarding debt division and debt relief set forth in the Memorandums of Understanding on Debt Relief for Pakistan, dated July 31, 1973, and June 28, 1974, and signed by the Government of Pakistan and by the International Bank for Reconstruction and Development as Chairman of the Aid-to-Pakistan Consortium hereby agree as follows:

ARTICLE I

PAST DUE DEBT

1. Debts due in Fiscal Year Ending June 30, 1973 (including arrearages). Pursuant to the September 20, 1972 Agreement^[1] between the United States and the President of Pakistan, certain loan payments of principal and interest owed to the United States and falling due between May 1, 1971, and June 30, 1973, were deferred and rescheduled. Such agreement is hereby ratified and confirmed, and Pakistan agrees to repay such deferred debt in accordance with such agreement, subject to the further amendment and rescheduling of certain of the underlying loans effected by Article II below.

2. Debts Due in Fiscal Year Ending June 30, 1974. Pursuant to the Memorandum of Understanding on Debt Relief for Pakistan, dated July 31, 1973, certain loan payments of principal and interest owed to the United States and falling due on specified dates between July 1, 1973, and June 30, 1974, were deferred. The sum of payments due and deferred, listed in Annex A, Part I, amounts to \$23,201,621.25 ("1974 Consolidated Debt"). Pakistan agrees to pay the 1974 Consolidated Debt in accordance with the following terms, subject to the further amendment and rescheduling of certain of the underlying loans effected by Article II below.

A. Interest: Pakistan shall pay to the United States interest which shall accrue at the rate of 1.7% per annum on the outstanding balance of the 1974 Consolidated Debt and on any due and unpaid interest accruing thereon. Interest on such outstanding balance shall accrue from the last due date of those underlying loans and shall be computed on the basis of a 365-day year. Interest shall be paid semi-annually commencing on December 31, 1974.

¹ TIAS 7449; 23 UST 2601. [Footnote added by the Department of State.]

B. Principal. Pakistan shall repay to the United States the 1974 Consolidated Debt within four (4) years from July 1, 1974, including a one (1) year grace period. Principal payments shall be made in six (6) approximately equal semi-annual installments commencing December 31, 1975, with the final payment due June 30, 1978.

C. Amortization Schedule: Attached hereto as Annex A are two (2) amortization schedules, Part II and Part III, the sum of which equals the total amount of the deferral and rescheduling mentioned in paragraph 2 immediately above. The amounts shown on Part II of Annex A represent the amounts eligible for further deferral and rescheduling by application of the principles agreed to in Article II below.

ARTICLE II

CURRENT AND FUTURE DEBT

1. Debt Relief.

A. Reference is made to the Memorandum of Understanding on Debt Relief for Pakistan dated June 28, 1974. In furtherance of the intentions set forth therein, the United States undertakes a qualified obligation (subject to subparagraph B below) to defer and reschedule debt service due to the United States on debts incurred by Pakistan prior to July 1, 1973, at such times and in such amounts as follows:

United States Fiscal Year 1975 -	\$54,013,000
1976 -	50,423,000
1977 -	52,694,000
1978 -	38,904,000

B. The obligation of the United States Government to so defer and reschedule, however, is expressly conditioned by the understanding that the United States shall only defer and reschedule payments on those categories of loans of the United States Agency for International Development which were originally disputed by Pakistan as a result of the events of 1971. A list of these loans together with the principal amounts ascribed thereto appears on Annex B attached hereto, and the loans are hereafter referred to as "Annex B Loans". The United States shall only defer and reschedule payments due under Annex B Loans for amounts not subsequently assumed by Bangladesh (including payments due on such Annex B Loans which have been rescheduled as set forth in Article I hereof). Until the United States shall have provided the total debt relief to Pakistan set forth in the Memorandum of Understanding of June 28, 1974, the United States shall annually defer and reschedule all of the payments due on each of the Annex B Loans with the exception of interest payments due as a result of paragraph 2 of this Article II. If, as it appears, the United States shall not have deferred and rescheduled by June 30, 1978, the stated dollar amounts indicated in subparagraph A above, the United States shall provide equivalent debt relief in the form of deferral and rescheduling of additional debt service due under Annex B Loans in fiscal year 1979. The amount of such additional debt relief to be given shall be determined by application of subparagraph C below.

C. The present value of the debt relief to be provided by the United States under this Agreement, when discounted at 10 percent pursuant to the Memorandum of Understanding of June 28, 1974, is \$172,600,000 computed as follows:

<u>United States Fiscal Year</u>	<u>Amount to be Rescheduled Per Subparagraph A</u>	<u>Discount Factor</u>	<u>Discounted Present Value of Amount to be Rescheduled</u>
1975	\$54,013,000	x 1.000	\$54,013,000
1976	\$50,423,000	x .909	\$45,834,000
1977	\$52,695,000	x .826	\$43,526,000
1978	\$38,904,000	x .751	\$29,217,000
			<u>\$172,600,000</u>

As the principal amount available for rescheduling of Annex B Loans by the United States will not enable the United States to provide debt relief in the amounts assigned under subparagraph A above during each year, the United States shall provide equivalent relief through fiscal year 1979 in such amounts so that the present value of the actual amount deferred and rescheduled, when discounted at 10 percent (10%) to the year in which it should have been given, is unchanged. Thus, when after four years of deferral and rescheduling of the debt service on Annex B Loans, the discounted present value of the amounts actually deferred and rescheduled is less than \$172,600,000, the United States in order to meet the difference will defer and reschedule debt service due on Annex B Loans in fiscal year 1979.

D. In order to provide debt relief equal to a discounted present value of \$172,600,000, the United States will defer and reschedule payments on Annex B Loans in such amounts as follows:

<u>United States Fiscal Year</u>	<u>Amount to be Rescheduled on Annex B Loans</u>	<u>Discount Factor</u>	<u>Discounted Present Value of Amount to be Rescheduled</u>
1975	\$38,463,586.71	x 1.000	= \$38,463,586.71
1976	\$49,830,988.82	x .909	= \$45,296,368.84
1977	\$53,144,972.58	x .826	= \$43,897,747.35
1978	\$44,250,372.62	x .751	= \$33,232,029.84
1979	\$17,145,340.05	x .683	= \$11,710,267.26
			<u>\$172,600,000.00</u>

E. The total amount the United States will defer and reschedule will be adjusted to reflect agreed changes which would insure that the amounts of relief received by Pakistan from participating creditor countries are in accordance with paragraph 3a of the June 28 Memorandum of Understanding on Debt Relief for Pakistan.

F All adjustments in the amount the United States will defer and reschedule required to implement subparagraph E above will be effected in fiscal year 1979. The formula to determine the final amount of debt service that must be deferred and rescheduled in United States fiscal year 1979 is as follows:
(X = amount to be deferred and rescheduled in fiscal year 1979;
Y = the discounted present value of the debt relief to be provided by the United States under the June 28 Memorandum of Understanding; Z = \$160,889,732.74, which is the discounted present value of the amounts the United States will defer and reschedule in the four year period fiscal 1975-78 as computed using the discount factors listed above.

2. Deferral and Rescheduling of Payments Due on Annex B

Loans. When Annex B Loan payments become due on successive original amortization dates throughout the period for which debt relief is to be provided, the United States shall suspend the relevant billings and refinance each such payment obligation. The terms of such refinancing or rescheduling shall be as follows:

A. Annex B Loans Due for Repayment in Fiscal Year 1975-1979.

(i) Interest: Pakistan shall pay to the United States interest at a rate of 2.15% per annum on the outstanding balance of deferred and refinanced payments and on any due and unpaid interest thereon. Interest shall accrue from the date of each respective deferral and shall be computed on the basis of a 365-day year. Interest shall be due semi-annually, commencing on January 1, 1975.

(ii) Principal. Pakistan shall repay to the United States the aggregate amount of deferred and refinanced payments due in fiscal years 1975-79 ("1975-79 Principal") within thirty (30) years after July 1, 1974. Such 1975-'79 Principal shall be paid in thirty-nine (39) equal semi-annual installments commencing July 1, 1985.

(iii) Adjustment of Terms: The rescheduling terms established above in subparagraphs (i) and (ii) constitute a grant element of 62.11 percent, and thus meet the 62 percent grant element provision of the June 28, 1974, Memorandum of Understanding. If it is necessary to adjust the amount the United States will defer and reschedule in fiscal year 1979 for reasons noted in paragraphs 1(E) and 1(F), both Pakistan and the United States shall have the right to obtain adjustments in the interest rate charged on the

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amounts rescheduled in fiscal year 1979. Such changes in interest reflect the fact that the Agreement intends to provide rescheduling terms no more or less favorable than the 62 percent target agreed in the June 28, 1974 Memorandum of Understanding.

B. Amortization Schedule. The United States will issue to Pakistan amortization schedules in accordance with the foregoing prior to the initial principal due date, i.e., prior to July 1, 1985.

C. Debt Division. It is the mutual understanding of the parties hereto that the Peoples' Republic of Bangladesh, by agreement with the United States [whenever signed], will assume responsibility to perform all payment obligations first becoming due on July 1, 1974, and thereafter, arising under certain loans relating to visible projects located in the area now constituting Bangladesh. Such loans and the principal amounts ascribed thereto appear in Annex C attached hereto (the "Visible Project Loans"). As and to the extent that such repayment responsibility is assumed by Bangladesh, Pakistan shall be released and discharged from such responsibility

ARTICLE III

GENERAL COVENANTS

1. Application and Place of Payments. All payments to be made pursuant to the terms hereof shall be applied first to the payment of the accrued interest and then to the repayment of principal due. Except as the United States may otherwise specify in writing, all such payments shall be made to the Controller, Agency for International Development, Washington, D.C., U.S.A.

and shall be deemed made when received by the Office of the Controller.

2. Full Force and Effect of Annex B Loans. To the extent not expressly amended by this Agreement or rendered inconsistent hereby, the terms and conditions of the loan agreements between the United States and Pakistan which are the subject of this Agreement shall remain in full force and effect.

3. Further Assurances. The United States and Pakistan shall, at the request of either party hereto, execute and deliver such instruments and otherwise take such steps as may be reasonably proper and within their competence to effectuate the foregoing.

4. Effective Date. The conditions precedent to the effectiveness of this Agreement are:

A. This Agreement will enter into force when the Government of the United States notifies the Government of the Islamic Republic of Pakistan in writing that domestic United States laws and regulations covering debt rescheduling concerning this Agreement have been complied with.^[1]

B. The receipt by the United States, in form and substance satisfactory to the United States, of an opinion of the Ministry of Law and Parliamentary Affairs (Law Division) Government of Pakistan to the effect that this Agreement has been duly authorized or ratified by and executed on behalf of Pakistan and that it constitutes a valid and legally binding obligation of Pakistan in accordance with all of its terms.

If, after sixty (60) days from the date hereof, or such later date as mutually agreed upon in writing, the above conditions precedent shall not have been fulfilled, this Agreement shall be null and void. The United States shall notify Pakistan upon its determination that the conditions precedent have been fulfilled.

¹ May 12, 1976. [Footnote added by the Department of State.]

IN WITNESS WHEREOF, the undersigned, being duly authorized
for this purpose, have signed this Agreement.

DONE in duplicate, at Washington on the fourth day of
March, 1976.

FOR THE UNITED STATES
OF AMERICA:

Paul H. Boeker [1]

FOR THE ISLAMIC REPUBLIC
OF PAKISTAN:

Yagubkhan [2]

¹ Paul H. Boeker

² Yagubkhan

[Footnotes added by the Department of State.]

Annex A
Part I a

Agency for International Development
Pakistan - Amounts Rescheduled
Due from July 1, 1973 thru June 30, 1974
Annex B Loans

<u>Loan Number</u>	<u>Rescheduled Amount</u>
391-A-032A	\$ 37,382.14
391-A-032R	753.28
391-H-039	3,519,587.11
391-H-039R	45,093.77
391-H-043	254,462.17
391-H-043R	1,498.04
391-H-045	1,114,485.52
391-H-045R	10,096.84
391-H-046	1,497,276.44
391-H-046R	13,564.55
391-H-052	4,055.33
391-H-052R	24.09
391-H-053	102,648.08
391-H-053R	677.37
391-H-054	13,379.38
391-H-054R	201.82
391-H-056	1,180,712.11
391-H-056R	7,810.94
391-H-057	17,558.86
391-H-057R	264.80
391-H-058	29,062.82
391-H-058R	172.56
391-H-059	101,404.81
391-H-059R	480.00
391-H-062	32,529.12
391-H-062R	490.68
391-H-066	2,709,953.56
391-H-066R	9,545.08
391-H-068	11,170.86
391-H-068R	168.52
391-H-071	32,405.12
391-H-071R	610.24
391-H-073	9,749.44
391-H-073R	147.08
391-H-080	745,380.69
391-H-080R	11,246.71
391-H-081	28,553.44
391-H-081R	401.97
391-H-081A	4,406.00
391-H-158R	45.07

Agency for International Development
 Pakistan - Amounts Rescheduled
 Due from July 1, 1973 thru June 30, 1974
 Annex B Loans

<u>Loan Number</u>	<u>Rescheduled Amount</u>
391-H-082	\$ 61,215.30
391-H-082R	913.89
391-H-084	74,181.79
391-H-084R	1,401.38
391-H-089	61,497.22
391-H-089R	927.66
391-H-091	17,097.74
391-H-091R	231.29
391-H-092	78,660.31
391-H-092R	1,454.30
391-H-094	17,449.52
391-H-094R	262.13
391-H-096	1,034,496.13
391-H-096R	15,610.51
391-H-115	491,780.39
391-H-115R	9,928.18
391-H-117	701,157.37
391-H-117R	17,705.21
391-H-121	700,385.57
391-H-121R	14,117.08
391-H-124	10,559.09
391-H-124R	222.78
391-H-127	237,762.99
391-H-127R	4,791.05
391-H-128	33,433.02
391-H-128R	844.23
391-H-131	2,277,375.45
391-H-131R	92,487.50
391-H-135	107,461.13
391-H-135R	4,352.96
391-H-136	18,886.88
391-H-136R	766.88
391-H-139	428.75
391-H-139R	17.41
391-H-140	1,339,472.72
391-H-140R	54,402.28
391-H-142	28,938.80
391-H-142R	1,123.03
391-H-143	2,738.37
391-H-143R	71.15

Agency for International Development
Pakistan - Amounts Rescheduled
Due from July 1, 1973 thru June 30, 1974
Annex B Loans

<u>Loan Number</u>	<u>Rescheduled Amount</u>
391-H-144	\$ 400,825.46
391-H-144R	14,363.60
391-H-148	1,992,732.14
391-H-148R	66,776.44
391-H-154	<u>278,450.40</u>
Consolidated Debt Interest Due 6-30-74	\$ 21,819,213.89
	<u>97,112.61</u>
	<u>\$ 21,916,326.50</u>

Annex A
Part I b

Agency for International Development
 Pakistan - Amounts Rescheduled
 Due from July 1, 1973 thru June 30, 1974
 Loans Not Listed in Annex B

<u>Loan Number</u>	<u>Rescheduled Amount</u>
391-H-055	\$ 223,796.46
391-H-055R	1,061.03
391-H-060	4,331.60
391-H-060R	65.34
391-H-069	41,952.20
391-H-069R	632.82
391-H-070	104,481.46
391-H-070R	1,973.77
391-H-072	35,113.38
391-H-072R	529.67
391-H-078	19,851.74
391-H-078R	299.46
391-H-079	12,882.29
391-H-079R	243.36
391-H-083	120,537.02
391-H-083R	1,821.27
391-H-085	55,957.65
391-H-085R	847.81
391-H-086	32,900.68
391-H-086R	621.52
391-H-087	78,289.63
391-H-087R	1,134.82
391-H-088	44,540.59
391-H-088R	841.41
391-H-090	91,821.98
391-H-090R	1,739.72
391-H-102	70,221.73
391-H-102R	1,776.15
391-H-103	5,546.78
391-H-103R	111.77
391-H-104	26,439.25
391-H-104R	532.77
391-H-106	48,112.84
391-H-106R	969.50
391-H-107	59,466.58
391-H-107R	1,198.29
391-H-126	32,985.57
391-H-126R	621.95
391-H-129	151,323.98
391-H-129R	3,679.88
	<u>\$ 1,281,255.72</u>
Consolidated Debt Interest Due 6-30-74	4,039.03
	<u>\$ 1,285,294.75</u>

Annex A
Part II

Agency for International Development
Pakistan - Repayment Schedule
1974 Consolidated Debt
Annex B Loans - Interest Rate 1.7%

<u>Date Due</u>	<u>Total Installment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Outstanding</u>
				\$ 21,916,326.50
12-31-74	\$ 186,288.78	\$ -0-	\$ 186,288.78	21,916,326.50
06-30-75	186,288.78	-0-	186,288.78	21,916,326.50
12-31-75	3,839,009.86	3,652,721.08	186,288.78	18,263,605.42
06-30-76	3,807,961.73	3,652,721.08	155,240.65	14,610,884.34
12-31-76	3,776,913.60	3,652,721.08	124,192.52	10,958,163.26
06-30-77	3,745,865.47	3,652,721.08	93,144.39	7,305,442.18
12-31-77	3,714,817.34	3,652,721.08	62,096.26	3,652,721.10
06-30-78	3,683,769.23	3,652,721.10	31,048.13	-0-
	<hr/> \$ 22,940,914.79	<hr/> \$ 21,916,326.50	<hr/> \$ 1,024,588.29	

Annex A
Part III

Agency for International Development
Pakistan - Repayment Schedule
1974 Consolidated Debt
Loans not Listed in Annex B - Interest Rate 1.7%

<u>Date Due</u>	<u>Total Installment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Outstanding</u>
				\$ 1,285,294.75
12-31-74	\$ 10,925.01	\$ -0-	\$ 10,925.01	1,285,294.75
06-30-75	10,925.01	-0-	10,925.01	1,285,294.75
12-31-75	225,140.80	214,215.79	10,925.01	1,071,078.96
06-30-76	223,319.96	214,215.79	9,104.17	856,863.17
12-31-76	221,499.13	214,215.79	7,283.34	642,647.38
06-30-77	219,678.29	214,215.79	5,462.50	428,431.59
12-31-77	217,857.46	214,215.79	3,641.67	214,215.80
06-30-78	216,036.63	214,215.80	1,820.83	-0-
	\$ 1,345,382.29		\$ 1,285,294.75	\$ 60,087.54

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Annex B

Agency for International Development
Pakistan - "Annex B Loans"
Long-Term Debt Relief

<u>Loan Number</u>	<u>Outstanding Balance 6-30-74</u>	<u>1/</u>
391-A-032A	\$ 3,565,892.82	
391-A-032R	75,139.03	
391-H-039	80,916,784.51	
391-H-039R	6,001,250.98	
391-H-043R	199,364.98	
391-H-045	20,498,248.93	
391-H-045R	1,343,725.78	
391-H-046	38,283,813.91	
391-H-046R	1,805,215.38	
391-H-052	166,845.64	
391-H-052R	3,204.44	
391-H-053	1,094,568.77	
391-H-053R	90,146.78	
391-H-054	1,121,473.55	
391-H-054R	26,859.20	
391-H-056	27,939,811.11	
391-H-056R	1,039,508.68	
391-H-057R	35,241.20	
391-H-058	276,488.37	
391-H-058R	22,964.75	
391-H-059R	63,879.37	
391-H-062R	65,302.62	
391-H-066	65,038,237.37	
391-H-066R	1,270,296.35	
391-H-068R	22,425.67	
391-H-071	1,312,030.91	
391-H-071R	81,212.96	
391-H-073R	19,572.52	
391-H-080	99,195,807.61	
391-H-080R	1,496,755.67	
391-H-081R	53,495.60	
391-H-158R	4,496.98	
391-H-082R	121,624.48	
391-H-084	3,881,819.38	
391-H-084R	186,500.95	
391-H-089R	123,456.53	
391-H-091R	30,781.18	
391-H-092R	193,543.24	
391-H-094R	34,884.56	
391-H-096	137,672,197.52	
391-H-096R	2,077,506.22	
391-H-115	49,055,400.03	
391-H-115R	990,342.90	

Annex 8

Agency for International Development
Pakistan - "Annex B Loans"
Long-Term Debt Relief

<u>Loan Number</u>	<u>Outstanding Balance</u> <u>6-30-74</u>	<u>1/</u>
391-H-117	\$ 69,940,884.07	
391-H-117R	1,766,105.67	
391-H-121	69,865,525.18	
391-H-121R	1,408,187.41	
391-H-124R	22,221.99	
391-H-127	23,717,006.73	
391-H-127R	477,910.80	
391-H-128	768,024.75	
391-H-128R	84,212.07	
391-H-131	113,285,476.21	
391-H-131R	4,601,367.80	
391-H-135	2,037,611.66	
391-H-135R	216,565.06	
391-H-136R	38,152.86	
391-H-139R	866.13	
391-H-140	66,640,434.19	
391-H-140R	2,706,580.79	
391-H-142	747,765.06	2/
391-H-142R	55,872.11	
391-H-143R	3,539.91	
391-H-144	19,941,564.60	
391-H-144R	714,607.10	
391-H-148	98,570,115.54	
391-H-148R	3,322,210.90	
391-H-152	50,449,950.56	2/
391-H-153	20,508,428.88	2/
391-H-154	19,409,185.31	2/
1974 Consolidated Debt	21,916,326.50	

1/ These amounts represent that portion of the June 30, 1974 outstanding balance for each of the underlying loans which are to be rescheduled in accordance with Article II of this agreement.

2/ Loans which are not fully disbursed as of June 30, 1974. Subsequent disbursements under these four (4) loans will be rescheduled in accordance with Article II of this Agreement.

ANNEX C
Part I

Agency for International Development
Pakistan
Visible Project Loans
Debts to be Assumed by Bangladesh

<u>Loan Number</u>	<u>Name of Project</u>	<u>Amount</u>
391-H-043	E.P. Power Distribution	\$ 6,021,928.57
391-H-057	Chalna Anchorage	2,336,799.25
391-H-059	Coastal Embankment	4,171,834.20
391-H-062	General Consultants	4,329,096.18
391-H-068	Public Health Engineering	1,486,661.69
391-H-073	Mechanical Equipment Org.	1,297,493.37
391-H-081	Karnaphuli Third Unit	3,800,000.00
391-H-081A	Karnaphuli Third Unit	1,049,560.41
391-H-082	Siddhirgenj Thermal Plant	8,166,474.05
391-H-089	Pakistan Eastern Railway I	8,184,283.71
391-H-091	E.P. Transmission Lines	3,278,131.34
391-H-092	Dacca-Aricha Road	10,468,414.68
391-H-094	Chittagang Port	3,413,778.15
391-H-124	E.P. Water and Power Development	1,054,079.28
391-H-136	E.P. Public Health Engineering	939,646.44
391-H-139	E.P. Seed Potato Multiplication and Storage	26,728.08
391-H-143	E.P. Ground Water Survey	136,237.07
391-H-032	Picic-Third Loan	163,000.00
391-H-045	Railways-Fourth	7,998,000.00
391-H-053	Malaria Eradication	1,334,631.00
391-H-054	Airport & Airways Equipment	659,105.85
391-H-058	Feasibility Sectoral Studies	919,219.00
391-H-071	Telecommunication Facilities	3,278,733.77
391-H-084	Malaria Eradication-Second	5,990,576.00
391-H-128	Malaria Eradication-Third	2,566,940.49
391-H-135	Malaria Eradication-Fourth	3,308,713.00
391-H-142 2/	Consulting Services	721,170.78
		\$85,101,236.36 1/

1/ Includes Contractor claims approved by GOP prior to July 1, 1974 but not yet disbursed.

2/ This loan is not fully disbursed. Future disbursements will be the liability of the GOP.

ANNEX C
PART II

EXPORT-IMPORT BANK OF THE UNITED STATES

Visible Project Loans
Debts To Be Assumed by Bangladesh

<u>Exim Credit No.</u>	<u>Name of Project</u>	<u>Amount¹</u>
2627	IDBP—Relending Credit	5, 173. 00
2359/1984G	IDBP—Relending Credit	292, 245. 45
2792	PICIC—Relending Credit	323, 118. 10
1984B	Dacca—Intercontinental Hotel	1, 952, 718. 65
		<hr/>
		\$2, 573, 255. 20

¹These amounts represent the outstanding balances on these credits as of June 30, 1974 attributable to Bangladesh.

Memorandum of Understanding
on
Debt Relief for Pakistan

After the meeting of the heads of delegations of the Pakistan Consortium on June 15, 1973, the Chairman of the Consortium transmitted the proposals on debt relief on which the Consortium had agreed to the Government of Pakistan.

2. The countries participating in the Consortium expressed their conviction that:

- A. A default should be avoided.
- B. Legal liability for all of Pakistan's foreign debt had to remain with Pakistan until another party agreed to assume that liability
- C. An effort should be made to accommodate the views of the Government of Pakistan, expressed at the March meeting of the Consortium.
- D. The division of Pakistan's debts should be decided exclusively by Pakistan and Bangladesh, and any division thus agreed on would be acceptable to the creditors, so long as the total covered all of Pakistan's external debt. Although responsibility rested with the two Governments, the creditors would be ready to assist in a fair resolution of the problem.

3. Having regard to Paragraph 2 above, participating countries agreed that:

- A. Debt service due in Pakistan fiscal year 1974 would be relieved on terms comparable to those of the relief agreed on May 26, 1972.^[1] However, creditor Governments could not undertake

¹ Not printed. [Footnote added by the Department of State.]

to relieve private debt and expected Pakistan to continue service of such debt as long as arrangements for relief could not be made with private creditors.

- B. Within the amounts of relief to be provided by each creditor, service on debts incurred for projects visibly located in Bangladesh would be relieved, subject to the proviso concerning private debts noted above.
 - C. In a manner fully consistent with Paragraph 3 A, beginning July 1, 1974, Pakistan would not be expected to service any debts incurred for projects visibly located in Bangladesh (although, as noted before, legal liability would have to remain with Pakistan until it was assumed by some other party). The identification of such projects would be determined bilaterally by each creditor and Pakistan.
 - D. During the year of this debt relief, a study would be made of Pakistan's debt situation, in response to its request for long-term debt relief, and that study would take account of all aspects of Pakistan's debt burden.
 - E. The present conditions for providing new aid to Pakistan would be lifted.
4. The Government of Pakistan expressed satisfaction that the Consortium had acted promptly to deal with the situation that might have arisen on July 1, 1973. But it expressed disappointment at some aspects of the Consortium's proposal. Specifically, it did not agree that Pakistan had legal liability for debts incurred for the benefit of areas now under the jurisdiction of Bangladesh. It also regretted the omission of commodity loans from the proposed arrangements. In these regards, it considered the proposal unfair to Pakistan. The Government of Pakistan would raise these matters de novo when the question of long-term debt relief was discussed.

5. Nevertheless, the Government of Pakistan considered that.
- A. The proposals were a step in the direction of absolving Pakistan completely of liability for all debts incurred for the benefit of areas now under the jurisdiction of the Bangladesh Government.
 - B. The proposal was an interim arrangement for the next 12 months during which period further efforts would be made to reach a final, equitable solution.

The Government of Pakistan therefore accepted the arrangements set out in Paragraph 3 as an interim measure for a period of 12 months ending June 30, 1974, on the understanding that efforts would continue to be made both to improve interim arrangements and to expedite formulation of lasting and equitable arrangements for Pakistan's long-term debt relief.

6. Each of the participating countries will now enter into a bilateral agreement with Pakistan providing for debt relief in accordance with the principles specified in Paragraph 8 (A) to (F) of the Agreed Minute of May 26, 1972 and in the amounts as indicated in the Annex to this Memorandum.

7. The participating countries and Pakistan will keep the Bank informed as the bilateral agreements referred to in Paragraph 6 are being negotiated and concluded. The Bank will from time to time circulate to the participating countries all information so received.

I P M CARGILL

On behalf of the Consortium

I.P.M. Cargill
Vice President, Asia
World Bank

Q ISLAM

(Qamar ul Islam)
Deputy Chairman
Planning Commission
On behalf of the Government
of Pakistan

JULY 31, 1973

ANNEX

The terms of debt relief to be provided for Pakistan are to be in accordance with the principles set out in Paragraph 8 of the Agreed Minute of May 26, 1972.

The amount of debt relief to be provided by each participating country is to be such that, when taken together with the amount already offered (or provided) in accordance with the Agreed Minute of May 26, 1972, the total will be equivalent to approximately the following:

<u>Country</u>	<u>Amount in US Dollars Thousands</u>
Belgium	1,073
Canada	9,653
France	21,705
Germany	85,408
Italy	28,848
Japan	62,704
Netherlands	5,205
Sweden	423
U.K.	47,099
U.S.A.	73,944

NOTE: The exchange rates to be used for converting these amounts into the currencies of the participating countries should be the same as were used for the debt relief provided in the Agreement of May 26, 1972.

JULY 31, 1973

**Memorandum of Understanding
on Debt Relief for Pakistan**

1. On June 12, 1974, representatives of the member countries of the Pakistan Consortium (Belgium, Canada, France, Federal Republic of Germany, Italy, Japan, Netherlands, Sweden, United Kingdom and United States of America) met under the Chairmanship of the World Bank to consider the question of long-term debt relief for Pakistan.

2. The participating countries recalled the meeting of the Consortium which had taken place on May 15 and 16, 1974, at which they expressed satisfaction with Pakistan's economic performance in recent years and considered that Pakistan, despite difficult problems, had significant growth potential and good prospects. They noted the pledges of assistance to Pakistan which had been made at that meeting, and reaffirmed their support for Pakistan's development efforts. They recognized that, in the light of discussions that had taken place with the Government of Pakistan as reflected in the understandings of May 26, 1972 and July 31, 1973, and taking into account the current and prospective balance of payments position of Pakistan, it was appropriate to provide relief for the external debt of Pakistan. The participating countries further noted that the need for debt relief arose in part from the unique circumstances confronted by Pakistan due to the events of 1971, and the amount and terms of the debt relief agreed below reflect those unique circumstances.

3. The participating countries thereupon agreed that:

a. Debt relief will be provided to Pakistan in an aggregate amount in various currencies equivalent, at rates of exchange representative of the values of participating countries' currencies at the present time, to approximately \$650 million which will be provided over the four years beginning July 1, 1974, in approximate annual amounts as follows:

1974/75, \$175 million;
1975/76, \$175 million;
1976/77, \$175 million;
1977/78, \$125 million.

The precise exchange rate to be used for each participating country's currency for the purpose of this paragraph will be the representative exchange rate determined under Rule 0-3 of the IMF's Rules and Regulations, and the World Bank will request the IMF to supply these rates at the appropriate time.

b. In order to provide the debt relief as set out in paragraph 3a, each participating country will provide debt relief equivalent to the percentages shown below of the debt service due to it on external public and publicly guaranteed civil debt with an original maturity of more than one year, incurred by Pakistan prior to July 1, 1973 (including the total amount of such debts

rescheduled and to be rescheduled in accordance with the understandings between Pakistan and the Consortium dated May 26, 1972 and July 31, 1973):

1974/75—71 per cent;
1975/76—61 per cent;
1976/77—61 per cent;
1977/78—55 per cent.

The participating countries will from time to time as necessary agree to revise these percentages in order to ensure that the amounts of relief received by Pakistan are in accordance with paragraph 3a.

- c. If a participating country is unable to provide debt relief to the full amount indicated in paragraph 3b above for a particular year, such country may provide compensating relief in any year or years, as agreed with the Government of Pakistan, provided that the present value of such compensating relief, when discounted at 10 percent to the year in which it should have been given, covers the shortfall in that year.
 - d. Not all participating countries can undertake to relieve private debt, and they therefore expect Pakistan to continue to service such debt fully so long as suitable arrangements cannot be made with private creditors. In such cases, the participating countries will provide the agreed amount of relief in some other appropriate form, such as provided for in paragraph 3c above or paragraph 4 below.
 - e. The amount of debt relief to be provided will carry an interest rate of 2.5 percent per annum and will be repaid over a period of 30 years including 10 years of grace. However, individual participating countries may, within reasonable limits to be agreed with Pakistan, vary their terms, provided that any other terms agreed will reflect an overall average grant element of 62 percent for all relief, when calculated from July 1 of the year for which the relief is provided.
 - f. The specific loans or credits to which the debt relief will be applied, and how payments which Pakistan makes will be applied, will be determined by the participating countries in consultation with Pakistan. The loans or credits to which the relief may be applied are not limited to those incurred before July 1, 1973.
 - g. The Government of Pakistan will grant each of the participating countries treatment which will be no less favorable than that which may be accorded by any other creditor for the relief of comparable debts.
4. Each of the participating countries will enter into a bilateral agreement with Pakistan to provide debt relief in accordance with paragraph 3 above. The bilateral agreements may make use of rescheduling or refinancing, or any similar method, at the option of the participating country. If the refinancing method is used, disbursements

will be made no later than the date of the relevant payments of principal and interest.

5. The Government of Pakistan accepted the arrangements for debt relief agreed upon by the Consortium, as described in paragraphs 3 and 4, and confirmed that, subject to that relief, it would ensure continuing payments upon all debt due to creditors in the participating countries, except as provided under this Memorandum or under paragraph 3c of the Memorandum of Understanding on Debt Relief for Pakistan dated July 31, 1973, as it relates to service originally arising as from July 1, 1974.

6. Nothing in this Memorandum shall be construed as limiting the Government of Pakistan in:

- a. entering into discussions with the Government of Bangladesh concerning the transfer to the Government of Bangladesh of any external debt liability which the Government of Pakistan considers was incurred for the benefit of areas now under the jurisdiction of the Government of Bangladesh and which it therefore regards as the liability of the Government of Bangladesh, provided that, if any such transfer is made, it shall not affect the rights of any creditor without its consent with respect to the Government of Pakistan; or
- b. claiming compensation from the Government of Bangladesh or from other beneficiaries in Bangladesh for payments already made or to be made by the Government of Pakistan, in servicing any such debt.

7. The Government of Pakistan agreed to enter into negotiations as soon as possible with creditor countries of Pakistan outside the Consortium to complete arrangements for relief on comparable debts, and to do so on terms which are no more favorable to such creditors than those referred to in paragraph 3e.

8. The participating countries and Pakistan will keep the World Bank informed as the bilateral agreements referred to in paragraph 4 are being negotiated and concluded. The Bank, in turn, will from time to time circulate to the participating countries the information so received.

9. The Government of Pakistan and the participating countries expressed the hope that the negotiations required to give effect to this Memorandum of Understanding will be concluded with the least possible delay.

10. As an interim arrangement:

- a. Participating countries agreed that Pakistan might delay debt service payments (except on private debt) falling due during July 1974 for approximately one month.
- b. The Government of Pakistan will formulate and send to each participating country rescheduling proposals, keeping in view the types of maturities selected for rescheduling with each country in past agreements.

- c. Pakistan will continue to service all maturities other than the maturities or proportions of maturities proposed for rescheduling, subject to adjustment in conformity with the bilateral agreements ultimately entered into.

On behalf of the
Consortium

WILLIAM DIAMOND

William Diamond
Director, South Asia Department
World Bank

PARIS

June 28, 1974

On behalf of the
Government of Pakistan

A KAZI

A. G. N. Kazi
Secretary General
Financial & Economic
Coordination

UNION OF SOVIET SOCIALIST REPUBLICS

Visas for Correspondents

*Agreement effected by exchange of notes
Dated at Moscow September 29, 1975;
Entered into force September 29, 1975.*

The American Embassy to the Soviet Ministry of Foreign Affairs

No. 1265

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 has the honor to communicate the following.

Taking account of the provisions of the Final Act of the Conference on Security and Cooperation in Europe,[¹] the Embassy intends to grant one-year visas valid for multiple entries and multiple exits to Soviet correspondents, permanently accredited to the USA, and members of their families, beginning October 1, 1975, based on the fact that an analogous approach to the granting of multiple visas will be employed in the USSR with respect to American correspondents.

The Embassy will regard a positive reply from the Ministry to this note as agreement between the two sides on this question.

Embassy of the United States of America,
Moscow, September 29, 1975.

¹ *Department of State Bulletin*, Sept. 1, 1975, p. 323.

The Soviet Ministry of Foreign Affairs to the American Embassy

МИНИСТЕРСТВО
ИНОСТРАННЫХ ДЕЛ СССР

Министерство иностранных дел Союза
Советских Социалистических Республик свидетель-
ствует свое уважение Посольству Соединенных
Штатов Америки и, подтверждая получение ноты
Посольства № 1265 от 29 сентября 1975 года по
вопросу о предоставлении советским журналистам
на основе взаимности многократных виз, имеет
честь сообщить следующее.

С учетом положений Заключительного акта
Совещания по безопасности и сотрудничеству в
Европе, советская сторона имеет в виду с
1 октября 1975 года предоставлять американским
журналистам, постоянно аккредитованным в СССР,
и членам их семей многократные въездные—
выездные визы сроком до одного года.

Министерство будет рассматривать вышеупо-
менянутую ноту посольства и настоящую ноту как
договоренность между сторонами по этому
вопросу.



ПОСОЛЬСТВО
СОЕДИНЕННЫХ ШТАТОВ АМЕРИКИ

г. Москва

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS
OF THE USSR

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics presents its compliments to the Embassy of the United States of America, and confirming receipt of Embassy note No. 1265 of September 29, 1975 concerning the question of issuing Soviet correspondents multiple visas on a reciprocal basis, has the honor to communicate the following.

Taking account of the provisions of the Final Act of the Conference on Security and Cooperation in Europe, the Soviet side intends to grant visas valid up to one year for multiple entries and multiple exits to American correspondents permanently accredited to the Soviet Union and members of their families, beginning October 1, 1975.

The Ministry will regard the Embassy note mentioned above and this note as agreement between the sides on this question.

Moscow, September 29, 1975.

[SEAL]

Embassy of the United States of America,
Moscow.

MEXICO

Narcotic Drugs: Provision of Aircraft to Curb Illegal Production and Traffic

*Agreement effected by exchange of letters
Signed at México January 29, 1976;
Entered into force January 29, 1976.*

The American Ambassador to the Mexican Attorney General

JANUARY 29, 1976.

His Excellency
LIC. PEDRO OJEDA PAULLADA
Attorney General of the Republic
San Juan de Letran No. 9
Mexico, D.F., Mexico

DEAR MR. ATTORNEY GENERAL:

In confirmation of recent conversations between officials of our two governments relating to the continuing 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 willing to enter into additional cooperative agreements with the Government of Mexico in order to support the efforts of our two governments to reduce such traffic.

With the growth and intensification of the Mexican campaign to curb the production and trafficking of narcotic substances, there has developed a requirement for rapid supply of equipment, expendables and personnel to often remote and relatively inaccessible areas of Mexico. To meet this requirement the United States Government will provide, subject to their availability on a timely basis, two short-take-off and landing (STOL) fixed wing aircraft plus spare parts to the Government of Mexico. The United States Government will provide, subject to its availability on a timely basis, one high speed personnel transport airplane (seven to nine places) to equip the Mexican Attorney General's office with the capability to reach distant and inaccessible areas of Mexico for the purpose of supervision, inspection and control of operational units in the field.

The United States Government will also provide funds for reimbursement to the Mexican Government for lease not to exceed ninety (90) days of a personnel transport aircraft (eight to ten places) to be used for deploying Mexican Federal Judicial Police and other personnel directly involved in the narcotics suppression program in Mexico where convenient commercial transportation is not available, and when such deployment is deemed directly necessary for the implementation of narcotics suppression activities. Total cost of the above mentioned assistance will not exceed one million six hundred thousand dollars (dollars 1,600,000.00).

The aircraft provided hereunder are to be used by the Government of Mexico in direct support of the program to curb the illegal production and trafficking in narcotics substances. 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 both countries will remain in full force and effect and such provisions, unless expressly modified, will be applicable to the equipment and training provided under this agreement.

The Government of Mexico agrees that, at the request of the Embassy of the United States, the Office of the Attorney General of the Republic shall provide to the personnel of the Government of the United States access to the equipment for the purpose of certifying its usage and condition of service. It is also understood that through the Embassy of the United States in Mexico, personnel of the Government of the United States and the Office of the Attorney General of Mexico shall exchange semi-annually, and at other times mutually agreed upon, information in writing on the specific efforts undertaken in relation to the purposes and objectives of 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.

JOSEPH JOHN JOVA

Joseph John Jova
Ambassador

The Mexican Attorney General to the American Ambassador

ESTADOS UNIDOS MEXICANOS
PROCURADURIA GENERAL
DE LA
REPUBLICA

México, D.F., 29 de enero de 1976.

Excelentísimo Señor
JOSEPH JOHN JOVA
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
Ciudad.

ESTIMADO SEÑOR EMBAJADOR:

Me permito dar contestación a su atenta carta de esta fecha, cuyo texto vertido al español es como sigue:

"Confirmando recientes conversaciones entre oficiales de nuestros dos gobiernos relativas a la cooperación continua 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 concertar con el Gobierno de México arreglos cooperativos adicionales con el fin de apoyar los esfuerzos de nuestros dos Gobiernos para reducir dicho tráfico.

Con el aumento e intensificación de la campaña mexicana para frenar la producción y el tráfico de sustancias narcóticas, se ha desarrollado un requerimiento para proveer rápidamente de equipo, material de consumo y personal para llegar a lejanas y relativamente inaccesibles áreas de México. Para lograr este requerimiento el Gobierno de los Estados Unidos, proveerá, sujetos a su posibilidad en cuanto a tiempo, dos aviones de ala fija de despegue y aterrizaje en corto espacio (Stol) más refacciones, al Gobierno de México.

El Gobierno de los Estados Unidos proveerá, sujeto a su posibilidad en cuanto a tiempo, de un aeroplano de alta velocidad para el transporte de personal (7 a 9 plazas) para el equipo de la oficina del Procurador General mexicano, con capacidad para cubrir áreas distantes e inaccesibles de México con el propósito de supervisar, inspeccionar y controlar las unidades operacionales en el campo.

El Gobierno de los Estados Unidos también proveerá fondos para reembolsar al Gobierno de México a fin de alquilar hasta por noventa días, un avión para transporte de personal (8 a 10 plazas) para ser usado en el desplazamiento de la Policía Judicial Federal y otro personal directamente comisionado en el programa de México para la supresión de narcóticos, cuando la transportación comercial no sea conveniente y cuando dicho desplazamiento se estime directamente necesario para implementar la supresión de las actividades de narcóticos.

El costo total de la asistencia mencionada no deberá exceder de un millón seiscientos mil dólares (1,600,000.00).

TIAS 8449

Los aviones previstos y que se mencionan antes son para ser usados por el Gobierno de México en apoyo directo del programa para frenar la producción ilegal y tráfico en substancias narcóticas. Se tiene por entendido que las provisiones 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 países para el control cooperativo de narcóticos, permanecerán en pleno vigor y efectos y dichas previsiones a menos que haya una modificación expresa y que serán aplicables al equipo previsto en este acuerdo, que incluye el entrenamiento necesario.

El Gobierno de México está de acuerdo en que a solicitud de la Embajada de los Estados Unidos, la oficina del Procurador General de la República, permitirá al personal de los Estados Unidos, acceso al equipo con el propósito de certificar su uso y condiciones de servicio. Se tiene entendido también que a través de la Embajada de los Estados Unidos en México, personal del Gobierno de los Estados Unidos y de la oficina del Procurador General de México, intercambiarán semestralmente y en otras ocasiones mutuamente acordadas, información por escrito en relación con los esfuerzos específicos que se hayan emprendido con respecto a los propósitos y objetivos de este acuerdo.

Si lo antes expuesto es aceptado por el Gobierno de México, esta carta y su contestación constituirán un acuerdo entre nuestros dos gobiernos."

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la carta transcrita.

Aprovecho la oportunidad para reiterar a usted, las seguridades de mi más alta consideración y personal estima.

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL.

PEDRO OJEDA PAULLADA
LIC. PEDRO OJEDA PAULLADA.

Translation

UNITED MEXICAN STATES
OFFICE OF THE ATTORNEY GENERAL

MEXICO, D.F., January 29, 1976

MR. AMBASSADOR:

I am replying to your letter of this date, which, translated into Spanish, reads as follows:

[For the English language text, see pp. 4261-4262.]

I hereby inform you that the Government of Mexico concurs in the terms of the letter transcribed above.

I take this opportunity to renew to you the assurances of my highest consideration and personal esteem.

Effective suffrage. No reelection.

PEDRO OJEDA PAULLADA

Pedro Ojeda Paullada
Attorney General

His Excellency

JOSEPH JOHN JOVA,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Mexico, D.F.*

GUATEMALA
Rural Primary Education

*Agreement signed at Guatemala November 3, 1975;
Entered into force November 3, 1975.*

**LOAN AGREEMENT
RURAL PRIMARY EDUCATION**
**CONVENIO DE PRESTAMO
EDUCACION PRIMARIA RURAL**

Alliance for Progress

Alianza para el Progreso

The Republic of Guatemala
La República de Guatemala

Agency for International Development
Agencia para el Desarrollo Internacional

*November 3, 1975
3 de noviembre de 1975*

Loan 520-V-025
Préstamo 520-V-025

CONVENIO DE PRESTAMO dentro de los objetivos de la Alianza para el Progreso, fechado el día 3 de noviembre de 1975 entre el Gobierno de la República de Guatemala ("Prestatario") y los Estados Unidos de América, actuando por medio de la AGENCIA PARA EL DESARROLLO INTERNACIONAL ("AID").

LOAN AGREEMENT in furtherance of the Alliance for Progress, dated the third day of November, 1975 between the Government of the Republic of Guatemala ("Borrower") and the United States of America, acting through the Agency for International Development ("AID").

ARTICULO I

E. Préstamo

SECCION 1.01. El Préstamo.
La AID conviene en otorgar al Prestatario un préstamo dentro de los objetivos de la Alianza

ARTICLE I

The Loan

SECTION 1.01. The Loan. AID agrees to lend to the Borrower in furtherance of the Alliance for Progress and pursuant to the

para el Progreso, de acuerdo con el Acta de Ayuda al Exterior de los Estados Unidos de América de 1961 y sus enmiendas, por una cantidad que no excederá de SIETE MILLONES de dólares de los Estados Unidos (\$7,000,-000) ("El Préstamo") para asistir al Prestatario para llevar a cabo el Proyecto referido en la Sección 1.02 ("El Proyecto") del presente documento. El Préstamo se usará exclusivamente para financiar los costos en moneda de los Estados Unidos ("Costos en Dólares") y los costos en moneda local del Mercado Común Centroamericano ("Costos en Moneda Local"), de bienes y servicios requeridos para el Proyecto. El monto agregado de desembolsos dentro del Préstamo se denominará en adelante "El Principal."

SECCION 1.02. El Proyecto.

El proyecto ha sido diseñado para ayudar al Prestatario a llevar a cabo un programa para el mejoramiento de la educación primaria en el área rural, y el cual incluirá mejoras cualitativas del sistema educativo, así como las mejoras que sean necesarias en las instalaciones físicas.

El Proyecto se describe más ampliamente en el Anexo I, adjunto a este Convenio, y el cual podrá ser modificado por escrito dentro del alcance del proyecto especificado en esta Sección por medio de Cartas de Ejecución emitidas por los representantes autorizados de AID y aprobadas por escrito por los representantes autorizados del Prestatario.

Foreign Assistance Act of 1961, as amended,^[1] an amount not to exceed SEVEN MILLION United States dollars (\$7,000,-000) ("Loan") to assist Borrower in carrying out the Project referred to in Section 10.2 ("Project"). The Loan shall be used exclusively to finance the United States dollar costs ("Dollar Costs") and Central American Common Market local currency costs ("Local Currency Costs") of goods and services required for the Project. The aggregate amount of disbursements under the Loan is hereinafter referred to as "Principal."

SECTION 1.02. The Project.

The Project is designed to assist the Borrower in carrying out a program for improvement of rural primary education which will include qualitative reforms within the education system and supporting improvements in physical facilities.

The Project is more fully described in Annex I, attached hereto, which annex may be modified in writing within the scope of the Project as set forth in this Section by Implementation Letters issued by the authorized representatives of AID and approved in writing by the authorized representative of Borrower.

¹ 75 Stat. 424; 22 U.S.C. § 2151 note.

ARTICULO II**Términos de Pago, Intereses y
Procedimientos de Pago**

SECCION 2.01. Intereses. El Prestatario pagará a la AID en concepto de intereses el dos por ciento (2%) anual durante los diez años siguientes a la fecha del primer desembolso; y subsiguentemente una tasa del tres por ciento (3%) anual sobre el saldo pendiente del Principal y sobre cualquier suma adeudada por concepto de intereses vencidos. Los intereses sobre saldos pendientes se calcularán desde la fecha de cada desembolso de conformidad con lo que se determine en la Sección 7.04 y el interés se computará con base en un año de 365 días. El interés deberá pagarse semestralmente. Los intereses sobre interés pendiente de pago se calcularán a partir de la fecha en que dicho interés fue vencido y pagadero. El primer pago deberá efectuarse seis (6) meses después del primer desembolso en la fecha que determine la AID.

SECCION 2.02. Amortizaciones.

El Prestatario cancelará a la AID el Principal en un término de cuarenta (40) años a contar de la fecha del primer desembolso, en sesenta y un (61) pagos semestrales aproximadamente iguales que incluirán principal e intereses. La primera amortización del Principal será pagadera nueve años y medio después de la fecha en que venza al primer pago de intereses, de acuerdo con la Sección 2.01. La AID proporcionará al Prestatario un calendario de amortizaciones calculado

ARTICLE II**Terms of Repayment, Interest
and Payment Procedures**

SECTION 2.01. Interest. Borrower shall pay to AID interest which shall 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 of Principal shall accrue from the date of each respective disbursement as such date is defined in Section 7.04, and shall be computed on the basis of a 365-day year. Interest shall be payable semi-annually. Interest on any due and unpaid interest shall accrue from the date when such interest became due and payable. The first payment of interest shall be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by AID.

SECTION 2.02. Repayment.

Borrower shall repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement hereunder in sixty-one approximately equal semi-annual installments of principal and interest. The first installment of Principal shall be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 2.01. A.I.D. shall provide Borrower with an amortization schedule in accordance with this Section

de acuerdo con lo estipulado en esta Sección después de que se haya verificado el desembolso final del Préstamo.

SECCION 2.03. Aplicación, Moneda y Lugar de Pago. Todos los pagos de Principal e intereses derivados de este Préstamo deberán hacerse en dólares de los Estados Unidos y serán aplicados, primero al pago de intereses vencidos y luego a la amortización del Principal. Todos los pagos deberán hacerse al Contralor, Agencia para el Desarrollo Internacional, AID, Washington, D.C. 20523 Atención: Cajero, y se considerarán efectuados cuando sean recibidos por la Oficina del Contralor.

SECCION 2.04. Pagos Anticipados. Al estar pagados todos los intereses vencidos y cubiertos los reembolsos pendientes, el Prestatario podrá pagar anticipadamente, sin recargos, todo o parte del Principal. Cualquier pago anticipado será aplicado a la amortización del Principal en orden inverso a su vencimiento.

SECCION 2.05. Renegociación de los Términos del Préstamo. De conformidad con los compromisos de los Estados Unidos de América y de los otros signatarios del Acta de Bogotá y de la Carta de Punta del Este para forjar la Alianza para el Progreso, el Prestatario conviene en negociar con la AID, en la fecha o fechas en que dicha Agencia lo solicite, un adelanto en las fechas de pago del Préstamo, en caso de

after the final disbursement under the Loan.

SECTION 2.03. Application, Currency and Place of Payment.

All payments of interest and Principal hereunder shall be made in United States dollars and shall 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, all such payments shall be made to the Controller, Agency for International Development, Washington, D.C. 20523, U.S.A.—Attention: Cashier, and shall be deemed made when received by the Office of the Controller.

SECTION 2.04. Prepayment.

Upon payment of all interest and refunds then due, Borrower may prepay, without penalty, all or any part of the Principal. Any such prepayment shall be applied to the installments of Principal in the inverse order of their maturity.

SECTION 2.05. Renegotiation of the Terms of the Loan.

In light of the undertakings of the United States of America and the other signatories of the Act of Bogota^[1] and the Charter of Punta del Este^[2] to forge an Alliance for Progress, Borrower agrees to negotiate with AID, at such time or times as AID may request, an acceleration of repayment of the Loan in the event that there is any significant

¹ Department of State Bulletin, Oct. 3, 1960, p. 537.

² Department of State Bulletin, Sept. 11, 1961, p. 462.

que se produzca un mejoramiento significativo en la posición y perspectivas financieras y económicas internas y externas de la República de Guatemala, tomando en consideración las necesidades de capital de la República de Guatemala y de los otros signatarios del Acta de Bogotá y de la Carta de Punta del Este.

ARTICULO III

Condiciones Previas al Desembolso

SECCION 3.01. Condiciones Previas al Desembolso Inicial.

Previo al primer desembolso o a la emisión de la primera Carta de Compromiso, el Prestatario proporcionará a la AID, en forma y sustancia satisfactorias, lo siguiente:

(a) Un dictamen extendido por el Procurador General de la Nación de Guatemala, o por otro funcionario gubernamental aceptable a la AID, de que este Convenio ha sido debidamente autorizado y/o ratificado, por el Prestatario y que el mismo constituye una obligación legal del Prestatario de acuerdo con todos sus términos.

(b) Los nombres de las personas autorizadas que representarán al Prestatario de conformidad con la Sección 9.02 así como ejemplares auténticos de sus respectivas firmas.

(c) Constancia de que el Prestatario ha empleado una persona como Coordinador del Proyecto.

(d) Constancia de que el Prestatario ha nombrado un Comité de Ejecución del Proyecto presi-

improvement in the internal and external economic and financial position and prospects of the Republic of Guatemala, taking into consideration the relative capital requirements of the Republic of Guatemala and of the other signatories of the Act of Bogotá and the Charter of Punta del Este.

ARTICLE III

Conditions Precedent to Disbursement

SECTION 3.01. Conditions Precedent to Initial Disbursement.

Prior to the first disbursement under the Loan, or to the issuance of the first Commitment Document under the Loan, Borrower shall submit to AID in form and substance satisfactory to AID:

(a) An opinion of the Attorney General of Guatemala or of other counsel acceptable to AID, that this Agreement has been duly authorized and/or ratified by and executed on behalf of Borrower, and that it constitutes a valid and legally binding obligation of Borrower in accordance with all of its terms.

(b) A statement of the names of the persons holding or acting in the offices of Borrower specified in Section 9.02 and a specimen signature of each person specified in such statement.

(c) Evidence that Borrower has employed a Project Coordinator.

(d) Evidence that the Borrower has appointed a Project Implementation Committee

dido por el Coordinador de Proyecto.

(e) Constancia de que el Prestatario ha suscrito contratos aprobados por AID para la prestación de servicios de consultoría en ingeniería para el proyecto.

(f) Constancia de que el Prestatario ha creado una unidad dentro del Ministerio de Comunicaciones y Obras Públicas que será responsable de administrar las actividades de construcción del Proyecto.

(g) Constancia de que el Prestatario ha hecho los arreglos satisfactorios a la AID para la obtención de servicios técnicos suficientes que permitan al Prestatario cumplir con sus responsabilidades de llevar a cabo las actividades del Proyecto, incluyendo pero no limitándose a, adiestramiento de maestros, administración de suministros y mantenimiento de escuelas.

SECCION 3.02. Condiciones Previas al Desembolso Exceptuando Asistencia Técnica y Administrativa. Previo a cualquier desembolso de fondos provenientes del Préstamo o a la emisión de documentos de compromiso para costos exceptuando asistencia técnica y administrativa, el Prestatario deberá enviar a AID en forma y sustancia satisfactorias a la misma:

(a) Un Plan Financiero detallado, que muestre las contribuciones anuales que efectuará al Gobierno de Guatemala para la ejecución del Proyecto.

(b) Un Plan de Ejecución detallado y calendarizado que cubra todas las actividades a ser completadas durante la vida del

chaired by the Project Coordinator.

(e) Evidence that Borrower has entered into contracts approved by AID for consulting engineering services for the Project.

(f) Evidence that the Borrower has created a unit within the Ministry of Communications and Public Works which will be responsible for administering Project construction activities.

(g) Evidence that the Borrower has made arrangements satisfactory to AID to obtain sufficient technical and management services to assist the Borrower in fulfilling its responsibilities to carry out Project activities including but not limited to teacher training, commodity management and school maintenance.

SECTION 3.02 Conditions Precedent to Disbursement for Other than Technical and Management Assistance. Prior to any disbursement of Loan funds or issuance of any commitment documents for other than technical and management assistance, Borrower shall submit to AID, in form and substance satisfactory to A.I.D.:

(a) A detailed Financial Plan setting forth the annual GOG contributions which will be made to support the Project;

(b) A detailed time-phased Implementation Plan covering all activities to be completed during the life of the Project,

proyecto, así como un plan de evaluación del proyecto.

(c) Un plan para la dotación de personal a las oficinas responsables de la construcción, adiestramiento, coordinación y ejecución global del proyecto.

SECCION 3.03. Fechas Finales para Cumplir con las Condiciones Previas al Desembolso.

(a) Si dentro de los ciento veinte (120) días siguientes a la fecha de firma de este Convenio, o en cualquier fecha posterior que la AID convenga por escrito, las condiciones especificadas en la Sección 3.01 no han sido satisfechas, la AID podrá dar por finalizado este Convenio dando aviso por escrito al Prestatario. Al ser entregado este aviso, este Convenio y todas las obligaciones que se deriven del mismo quedarán sin efecto.

(b) Si todas las condiciones especificadas en la Sección 3.02 no han sido satisfechas dentro de los 240 días siguientes a la fecha de este Convenio, o cualquier fecha posterior que la AID convenga por escrito, AID a su opción, podrá dar por cancelado el saldo del préstamo no desembolsado a esa fecha, o podrá dar por terminado este convenio dando aviso por escrito al Prestatario. En caso de terminación, después de enviada la notificación, el Prestatario inmediatamente deberá amortizar el Principal pendiente de pago y deberá pagar todos los intereses y, al recibo por parte de AID del total de dichos pagos, este convenio y todas las obligaciones que se deriven del mismo quedarán sin efecto.

together with a plan for evaluating the Project; and

(c) A staffing plan for the offices responsible for construction, training, coordination and overall implementation of the Project.

SECTION 3.03. Terminal Dates for Meeting Conditions Precedent to Disbursement.

(a) If all of the conditions specified in Section 3.01 shall not have been met within 120 days from the date of this Agreement or such later date as AID may agree to in writing, AID at its option may terminate this Agreement by giving written notice to the Borrower. Upon the giving of such notice this Agreement and all obligations of the parties hereunder shall terminate.

(b) If all of the conditions specified in Section 3.02 shall have not been met within 240 days from the date of this Agreement or such later date as AID may agree in writing, AID, at its option, may cancel the then undisbursed balance of the amount of the Loan or may terminate this Agreement by giving written notice to the Borrower. In the event of a termination, upon the giving of notice, the Borrower shall immediately repay the Principal then outstanding and shall pay any accrued interest and, upon receipt of such payments in full, this Agreement and all obligations of the parties hereunder shall terminate.

SECCION 3.04. Notificación de Satisfacción de las Condiciones Previas al Desembolso. La AID deberá notificar al Prestatario, al determinarlo, que las condiciones previas al desembolso especificadas en las Secciones 3.01 y 3.02 han sido satisfechas.

ARTICULO IV

Convenios y Garantías Generales

SECCION 4.01. Ejecución del Proyecto.

(a) El Prestatario ejecutará el proyecto con la diligencia, eficiencia y de conformidad con sanas prácticas administrativas, financieras y técnicas. Para dicho fin, el Prestatario empleará una firma o personas, satisfactorias a la AID, independientes, y suficientemente calificadas para efectuar trabajos de consultoría en ingeniería, con el objeto de que: (i) apruebe los planos finales de ingeniería y especificaciones así como las adjudicaciones de contratos recomendadas para construcción; (ii) realice inspecciones técnicas de las instalaciones durante su construcción; y, (iii) certifique las solicitudes de desembolsos para construcción previo a su envío a la AID. Además, el Prestatario contratará firmas constructoras suficientemente calificadas para ejecutar la obra civil del proyecto.

(b) El Prestatario ejecutará el proyecto de conformidad con todos los planos, especificaciones, contratos, calendarios de trabajo y otras reglamentaciones y sus modificaciones, todos los cuales deberán ser aprobados por AID

SECTION 3.04. Notification of Meeting the Conditions Precedent to Disbursement. AID shall notify the Borrower upon determination by AID that the conditions specified in Section 3.01 and Section 3.02 have been met.

ARTICLE IV

General Covenants and Warranties

SECTION 4.01. Execution of the Project.

(a) The Borrower shall carry out the project with due diligence and efficiency and in conformity with sound financial, administrative and technical practices. In this connection the Borrower shall employ a suitably qualified independent engineering consulting firm or individuals satisfactory to AID for: (i) approving final engineering designs and recommended construction contract awards; (ii) technical inspection of facilities during construction; and, (iii) certification of construction disbursement requests before submission to AID. In addition Borrower will employ suitably qualified and competent contractors, satisfactory to AID, to carry out construction work under the project.

(b) The Borrower shall cause the Project to be carried out in conformity with all of the plans, specifications, contracts, schedules, and other agreements, and with all modifications therein, approved by AID pursuant to

de conformidad con lo estipulado en este Convenio de Préstamo.

SECCION 4.02. Fondos y Recursos a ser Proporcionados por el Prestatario. Además de los fondos proporcionados en virtud de este Convenio de conformidad con la Sección 1.01, el Prestatario deberá proporcionar tan pronto como sea necesario y sea aplicable al Proyecto: (a) Una suma no menor del equivalente de Cuatro Millones de Dólares de los Estados Unidos (\$4,000,000) en recursos presupuestarios nuevos (Quetzales) y además, (b) Los fondos y otros recursos (de organización, físicos o de cualquier otro tipo o clase), necesarios para la realización puntual y efectiva del Proyecto de conformidad con el Plan Financiero y el Plan de Ejecución presentados de conformidad con las Secciones 3.02(a) y (b) de este Convenio.

SECCION 4.03. Consultoria Continua. El Prestatario y la AID cooperarán mutuamente para que los objetivos de este Préstamo sean logrados. Con este fin, el Prestatario y la AID deberán de tiempo en tiempo, a solicitud de cualquiera de las partes intercambiar opiniones por medio de sus representantes con respecto al progreso del Proyecto, el cumplimiento por las partes de sus respectivas obligaciones an este Convenio, la actuación de los consultores, contratistas, agencias y suministros comprometidos en el Proyecto, y otros asuntos relacionados con el mismo.

El efecto del Proyecto sobre el ambiente natural deberá tomarse

this Agreement.

SECTION 4.02. Funds and Other Resources to be Provided by Borrower. In addition to funds provided under the Loan, pursuant to Section 1.01, the Borrower shall provide promptly as needed and apply to the Project: (a) a minimum of Four Million U.S. Dollars equivalent (\$4,000,000) in new budgetary resources (Quetzales), and in addition, (b) all other funds and resources (organizational, physical, or other type or class), required for the punctual and effective carrying out of the Project according to the Project Financial and Implementation Plans submitted in accordance with Sections 3.02 (a) and (b) of this Agreement.

SECTION 4.03. Continuing Consultation. Borrower and A.I.D. shall cooperate fully to assure the purposes of the Loan will be accomplished. To this end, 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 progress of the Project, the performance of the parties of their obligations under this Agreement, the performance of the consultants, contractors, and suppliers engaged on the Project, and other matters relating to the Project. The effect of the Project upon the natural environment shall be taken into consideration prior to and during the implementation of the Project, and

en consideracion, previa a y durante la ejecución del mismo, y la AID y el Prestatario deberán cooperar para reducir al minimo los efectos dañinos sobre el ambiente natural.

SECCION 4.04. Administración.
El Prestatario proporcionará personal calificado y con suficiente experiencia, satisfactorio a la AID, para la dirección y manejo del proyecto, y adiestrará a todo el personal que sea necesario para la ejecución del proyecto.

SECCION 4.05. Operación y Mantenimiento. El Prestatario deberá operar, mantener y reparar el Proyecto de conformidad con las prácticas sanas de ingeniería, finanzas y administración y de tal manera que asegure el logro de los objetivos del proyecto de manera continua y exitosa.

SECCION 4.06. Impuestos. Este Convenio, el Préstamo o cualquier prueba de endeudamiento emitida en relación con este documento, estarán exonerados de impuestos o gravámenes instituidos por las leyes de Guatemala. En caso (a) de que a cualquier contratista, incluyendo a cualquier firma consultora, así como al personal de los mismos, y a la adquisición de bienes o servicios financiados en virtud de este Convenio, y (b) en caso de que a cualesquiera transacciones de compra de mercaderías financiadas en virtud de este Convenio, no se le exonere de impuestos, tarifas, derechos o cualesquiera otros gravámenes en vigor en Guatemala, los

A.I.D. and Borrower shall cooperate to minimize any harmful effects upon the natural environment.

SECTION 4.04. Management.
Borrower shall provide qualified and experienced management for the Project acceptable to A.I.D., and it shall train such staff as may be appropriate for the execution of the Project.

SECTION 4.05. Operation and Maintenance. The Borrower shall operate, maintain and repair the Project in conformity with sound engineering, financial, and administrative practices and in such manner as to insure the continuing and successful achievement of the purposes of the Project.

SECTION 4.06. Taxation. This Agreement, the Loan and any evidence of indebtedness issued in connection herewith shall be free from, and the Principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within Guatemala. To the extent that (a) any contractor, including any personal services contractor or consulting firm, or any personnel of such a contractor financed hereunder, and any property or transactions relating to such contracts and (b) any commodity procurement transaction financed hereunder, are not otherwise exempt from identifiable taxes, tariffs, duties, and other levies imposed under

mismos deberán ser pagados o reembolsados por el Prestatario con fondos que no provengan del Préstamo y que tempoco sean parte del aporte del Prestatario al Proyecto, de acuerdo con lo prescrito en la Sección 4.02 de este Convenio y lo que al respecto se estipule en las Cartas de Ejecución.

SECCION 4.07. Utilización de Bienes y Servicios.

(a) Los bienes y servicios financiados con fondos del préstamo deberán ser utilizados exclusivamente para el proyecto, a menos que la A.I.D. convenga otra cosa por escrito. Al finalizar el proyecto, o en cualquier momento en que los bienes financiados con fondos del Préstamo no se adecúen a las necesidades del proyecto y no se puedan utilizar en el mismo, el Prestatario podrá disponer del uso de dichos bienes de la manera que la A.I.D. convenga por escrito antes de efectuar dicha disposición.

(b) Excepto que la A.I.D. convenga en otra cosa por escrito, ningún bien o servicios financiados de acuerdo con este Convenio de Préstamo deberá usarse para promover o ayudar a un proyecto de ayuda extranjera o actividad asociada con, o financiada por, cualquier país que no esté incluido en el Código 935 del Libro de Códigos Geográficos de la A.I.D. en vigor en la fecha de tal utilización.

SECCION 4.08. Información Sobre Hechos o Circunstancias Materiales. El Prestatario hace constar y garantiza que todos los hechos y circunstancias sobre los

laws in effect in Guatemala, Borrower shall to the extent prescribed in and pursuant to Implementation Letters, pay or reimburse the same under Section 4.02 of this Agreement with funds other than those provided under the Loan, and from funds other than those already committed to the Project by Borrower.

SECTION 4.07. Utilization of Goods and Services.

(a) Goods and services financed under the Loan shall be used exclusively for the project, except as A.I.D. may otherwise agree in writing. Upon completion of the Project, or at such other time as goods financed under the Loan can no longer usefully be employed for the Project, the Borrower may use or dispose of such goods in such manner as A.I.D. may agree to in writing prior to such use or disposition.

(b) Except as A.I.D. may otherwise agree in writing, no goods or services financed under the Loan shall be used to promote or assist any foreign aid project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION 4.08. Disclosure of Material Facts and Circumstances. Borrower represents and warrants that all facts and circumstances which it has disclosed

cuales ha informado o ha hecho que se informe a la AID en el curso de la obtención de este Préstamo, son exactos y completos, y que ha informado con exactitud y completamente sobre todos los hechos y circunstancias que podrían afectar materialmente al Proyecto y el cumplimiento de sus obligaciones bajo este Convenio. El Prestatario informará prontamente a la AID de cualesquiera hechos y circunstancias que puedan surgir en adelante y que puedan afectar materialmente o que sea razonable creer que podrían afectar materialmente al Proyecto o al cumplimiento de las obligaciones del Prestatario dentro de este Convenio.

SECCION 4.09. Comisiones, Honorarios y Otros Pagos.

(a) El Prestatario y el Prestador garantizan y convienen en que en relación a la obtención de este Préstamo, o al tomar cualquier medida bajo este Convenio o con respecto al mismo, no han pagado, no pagarán, no convendrán en pagar, ni de acuerdo con su mejor saber y entender ninguna otra persona o entidad ha pagado, pagará o convendrá en pagar, comisiones, honorarios, u otros pagos de cualquier clase, excepto la compensación regular a los funcionarios y empleados del Prestatario y del Prestador o compensación por servicios profesionales, técnicos o servicios profesionales, comparables, bona fide. El Prestatario y el Prestador informarán prontamente a la otra parte sobre cualquier pago o convenio de pagar tales

to A.I.D. or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete and that it has disclosed to A.I.D. accurately and completely, all facts and circumstances that might materially affect the Project and the discharge of its obligations under this Agreement. The Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise which might materially affect, or which it is reasonable to believe might materially affect the Project or the discharge of the Borrower's obligations under this Agreement.

SECTION 4.09. Commissions, Fees, and Other Payments.

(a) Borrower and Lender warrant and covenant that in connection with obtaining the Loan, or taking any action under or with respect to this Agreement, they have not paid, and will not pay or agree to pay, nor to the best of their knowledge has there been paid nor will there be paid or agreed to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to Borrower's and Lender's full time officers and employees or as compensation for bona fide professional, technical or comparable services. Borrower and Lender shall promptly report to the other any payment or agreement to pay for such bona fide professional, technical, or comparable services to which they

servicios profesionales, técnicos o servicios comparables, bona fide, de los cuales son parte o tienen conocimiento (indicando si tal pago ha sido efectuado o se efectuará sobre una base contingente), y, si el monto de tal pago fuera considerado como irrazonable por cualquiera de las partes, el mismo será ajustado en forma satisfactoria a ambas partes.

(b) El Prestatario y el Prestador garantizan y convienen en que ni ellos ni sus funcionarios han recibido ni recibirán pago en relación a la adquisición de bienes y servicios financiados con este Préstamo, excepto los pagos de honorarios, impuestos o pagos similares legalmente establecidos en Guatemala.

SECCION 4.10. Mantenimiento y Auditoría de Registros. El Prestatario mantendrá o velará por que se mantenga, de acuerdo con sanas prácticas y principios de contabilidad, libros y registros relativos tanto al Proyecto como a este Convenio. Tales libros y registros deberán, sin limitación, ser adecuados y demostrar:

(a) El recibo y uso de los bienes y servicios adquiridos con fondos erogados de acuerdo con este Convenio.

(b) La naturaleza y extensión de solicitudes de probables proveedores de bienes y servicios adquiridos.

(c) Las bases para la adjudicación de contratos y pedidos a los oferentes ganadores; y,

(d) El progreso del proyecto.

Tales libros y registros deberán ser regularmente sometidos

are parties or of which they have knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by either party, the same shall be adjusted in a manner satisfactory to both parties.

(b) Borrower and Lender warrant and covenant that no payments have been or will be received by Borrower or Lender or any official of Borrower or Lender in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payments legally established in Guatemala.

SECTION 4.10. Maintenance and Audit or Records. Borrower shall maintain, or cause to be maintained, in accordance with sound accounting principles and practices consistently applied, books and records relating both to the Project and to this Agreement. Such books and records shall, without limitation, be adequate to show:

(a) The receipt and use of goods and services acquired with funds disbursed pursuant to this Agreement.

(b) The nature and extent of solicitations of prospective suppliers of goods and services acquired.

(c) The basis of the award of contracts and orders to successful bidders; and

(d) The progress of the Project.

Such books and records shall be regularly audited, in accordance

a auditoría, de acuerdo con las prácticas de auditoría adecuadas, durante aquellos períodos y a los intervalos que la AID solicite, y deberán mantenerse durante cinco años después de la fecha del último desembolso efectuado por la AID, o hasta que todas las cantidades adeudadas a la AID de acuerdo con este Convenio hayan sido pagadas, si esto último ocurriera primero.

SECCION 4.11. Informes. El Prestatario dará a la AID aquella información e informes relativos al Préstamo y al Proyecto que le solicite.

SECCION 4.12. Inspecciones. Los representantes autorizados de la AID tendrán derecho en todo tiempo razonable de inspeccionar el Proyecto, la utilización de todos los bienes y servicios financiados con el Préstamo y los libros, registros y otros documentos del Prestatario relacionados con el Proyecto y el Préstamo. El Prestatario cooperará con la AID para facilitar tales inspecciones y permitirá a los representantes de la AID visitar cualquier parte de Guatemala para cualquier propósito relacionado con el Préstamo.

SECCION 4.13. Asistencia Técnica. El Prestatario deberá retener o proporcionar de cualquier otra forma, en forma y sustancia satisfactorias a la AID, durante el período de ejecución del proyecto, aquella asistencia técnica que sea necesaria para asegurar la ejecución satisfactoria de las actividades del proyecto, incluyendo, pero no limitándose a aquellas actividades

with sound auditing standards, for such period and at such intervals as A.I.D. may require, and shall be maintained for five years after the date of the last disbursement by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur.

SECTION 4.11. Reports. Borrower shall furnish to A.I.D. such information and reports relating to the Loan and to the Project as A.I.D. may request.

SECTION 4.12. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect the Project, the utilization of all goods and services financed under the Loan, and Borrower's books, records, and other documents relating to the Project and the Loan. Borrower shall cooperate with AID to facilitate such inspections and shall permit representatives of AID to visit any part of Guatemala for any purpose relating to the Loan.

SECTION 4.13. Technical Assistance. Borrower shall retain or otherwise provide, in form and substance satisfactory to AID, during the implementation period of the Project, such technical assistance as may be necessary to ensure the satisfactory implementation of Project activities, including but not limited to, those set forth in Section 3.01(f).

que se detallan en la Sección 3.01(f).

ARTICULO V

Convenios Especiales

SECCION 5.01. Mantenimiento de las Escuelas. El Prestatario conviene, a menos que la AID convenga lo contrario por escrito, en mejorar su capacidad en lo que respecta al mantenimiento de escuelas por medio de la adopción y ejecución de un programa integrado de mantenimiento de escuelas, a ser iniciado a más tardar en el año 1977. El alcance de este programa de mantenimiento deberá incluir, pero no limitarse a, todas las escuelas construidas dentro de este Préstamo, así como escuelas construidas con préstamos otorgados por AID anteriormente, así como todo el equipo ubicado en o dentro de dichas escuelas, y deberá ser suficiente para mantener adecuadamente todas las escuelas así construidas.

SECCION 5.02. Gastos del Prestatario para Mantenimiento de Escuelas. El Prestatario conviene, a menos que AID convenga otra cosa por escrito, en presupuestar y gastar fondos que no sean aquellos a que se refieren las Secciones 1.01 y 4.02(a), por un mínimo equivalente a \$200,000, durante el año 1976; \$225,000 durante 1977; \$250,000 durante 1978; y \$275,000 durante 1979 para mantenimiento de las escuelas y el equipo a que se hace referencia en la Sección 5.01.

ARTICLE V

Special Covenants

SECTION 5.01. Maintenance of Schools. Borrower covenants, unless AID shall otherwise agree in writing, to strengthen its school maintenance capability through adoption and implementation of an integrated school maintenance program beginning no later than 1977. The scope of this maintenance program shall include, but not be limited to, all schools constructed under this loan and with prior AID assistance, along with all equipment located at or within such schools, and shall be sufficient to adequately maintain all schools so constructed.

SECTION 5.02. Expenditures by Borrower for School Maintenance. Borrower covenants, unless AID shall otherwise agree in writing, to budget and expend from funds other than those defined in Sections 1.01 and 4.02(a), a minimum of the equivalent of \$200,000 in 1976; \$225,000 in 1977; \$250,000 in 1978; and \$275,000 in 1979 for maintenance of the schools and equipment referred to in Section 5.01.

SECCION 5.03. Plan para Proporcionar y Utilizar los Recursos.

El Prestatario conviene en proporcionar y utilizar para la ejecución del proyecto, recursos financieros y de cualquier otra clase que sean compatibles con el Plan de Ejecución presentado de acuerdo con la Sección 3.02 (b) de este Convenio.

SECCION 5.04. Revisión y Evaluación del Proyecto. El Prestatario conviene que, a menos que AID con venga en otra cosa por escrito, dentro del primer año siguiente a la fecha del primer desembolso de fondos del Préstamo y anualmente durante la duración del proyecto, llevará a cabo revisiones y evaluaciones intensivas del progreso del proyecto, conjuntamente con AID.

SECCION 5.05. Informe del Programa de Educación Bilingüe.

El Prestatario conviene, a menos que AID convenga lo contrario por escrito, que al transcurrir dos años de efectuado el primer desembolso de fondos del Préstamo, presentará un informe revisando la efectividad del Programa de Educación Bilingüe del Prestatario (Programa de Castellanización), incluyendo una evaluación de posibles alternativas para el logro de los objetivos del programa.

SECCION 5.06. Plan para la Extensión de la Metodología de Enseñanza Integrada. El Prestatario conviene en presentar a AID, a menos que la AID convenga en otra cosa por escrito, al momento de efectuar la tercera revisión y evaluación anual del

SECTION 5.03. Plan for Provision and Utilization of Resources. Borrower covenants to provide and utilize for the Project, financial and other resources compatible with the project implementation plan presented under Section 3.02 (b) of this Agreement.

SECTION 5.04. Review and Evaluation of the Project. Borrower covenants that, unless AID shall otherwise agree in writing, within one year from the date of first disbursement under the Loan and annually thereafter during the life of the Project, it will conduct jointly with A.I.D. an intensive review and an evaluation of the progress of the Project.

SECTION 5.05. Report on Bilingual Education Program. Borrower covenants, unless A.I.D. shall otherwise agree in writing, within two years from the date of first disbursement, to submit a report reviewing the effectiveness of the Borrower's bilingual education program (Castellanization Program), including an assessment of possible alternatives for achievement of the objectives of the program.

SECTION 5.06. Plan for Expansion of the Integrated Teaching Methodology. Borrower covenants, unless A.I.D. shall otherwise agree in writing, at the time of the third annual review and evaluation of the Project, to provide A.I.D. with its plan for

proyecto, un plan para la continuación de la extensión de la nueva metodología de enseñanza integrada al sistema de educación primaria rural después del período de desembolsos del Préstamo.

ARTICULO VI

Compras

SECCION 6.01. Compras de Países Seleccionados del Mundo Libre. A menos que A.I.D. convenga en otra cosa por escrito, y exceptuando los casos indicados en la Subsección 6.09(c) en lo que se refiere a seguro marítimo, todos los desembolsos efectuados de conformidad con la Sección 7.01 deberán ser utilizados exclusivamente para financiar la compra de artículos y servicios destinados al proyecto y que tengan su fuente y origen en países incluidos en el Código 941 del Libro de Códigos Geográficos de A.I.D. en vigor al momento de ordenar la compra o de suscribir contratos para dichos artículos y servicios, exceptuando los países de Centroamérica. Los artículos y servicios adquiridos de conformidad con esta Sección se denominarán "Artículos de Países Seleccionados del Mundo Libre" o "Servicios de Países Seleccionados del Mundo Libre" respectivamente. Todo el transporte marítimo financiado con fondos del Préstamo deberá tener su fuente y origen en países incluidos en el Código 941 del Libro de Códigos Geográficos de A.I.D. en vigor al momento de efectuar el embarque, exceptuando los países de Centroamérica.

continuing the expansion of the new integrated teaching methodology throughout the rural primary education system after the disbursement period of the Loan.

ARTICLE VI

Procurement

SECTION 6.01. Procurement from Selected Free World Countries. Except as A.I.D. may otherwise agree in writing, and except as provided in subsection 6.09(c) with respect to marine insurance, disbursements made pursuant to Section 7.01 shall be used exclusively to finance the procurement for the Project of goods and services 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 are entered into for such goods and services except for the countries of Central America. Goods and Services procured pursuant to this Section shall be referred to as "Selected Free World Goods" and "Selected Free World Services" respectively. All ocean shipping financed under the Loan shall have both its source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of shipment, not including the countries of Central America.

SECCION 6.02. Compras Efectuadas en Centroamérica. Todos los desembolsos efectuados de conformidad con la Sección 7.02 deberán ser utilizados exclusivamente para financiar la compra de artículos y servicios para el Proyecto que tengan tanto su fuente y origen en los países de Centroamérica.

SECCION 6.03. Fecha de Elegibilidad. Excepto que la AID convenga lo contrario por escrito, no deberá finanziarse con el Préstamo ningún bien ni servicios que sean adquiridos de acuerdo con pedidos o contratos normalmente efectuados o ejecutados antes de la fecha de este Convenio.

SECCION 6.04. Bienes y Servicios que no sean Financiados con el Préstamo. Los bienes y servicios adquiridos con motivo del Convenio, que no sean financiados con este Préstamo, deberán ser de origen de países incluidos en el Código 935 del Libro de Códigos Geográficos de la AID que esté en vigor en la fecha en que se envíen los pedidos para tales bienes y servicios.

SECCION 6.05. Implantación de los Requisitos de Compra. Las definiciones aplicables a los requisitos de elegibilidad de las Secciones 6.01, 6.02, y 6.04, deberán ser establecidas en detalle en Cartas de Ejecución.

SECCION 6.06. Planos, Especificaciones y Contratos. (a) A menos que AID convenga lo contrario por escrito, el Prestatario deberá proporcionar a la AID prontamente después de su

SECTION 6.02. Procurement from Central America. Disbursements made pursuant to Section 7.02 shall be used exclusively to finance the procurement for the Project of goods and services having both their source and origin in the countries of Central America.

SECTION 6.03. Eligibility Date. Except as A.I.D. may otherwise agree in writing, no goods or services may be financed under the loan which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement.

SECTION 6.04. Goods and Services Not Financed Under the Loan. Goods and services procured for the project, but not financed under the Loan, shall have their source and origin in countries included in Code 935 of the AID Geographic Code Book as in effect at the time orders are placed for such goods and services.

SECTION 6.05. Implementation of Procurement Requirement. The definitions applicable to the eligibility requirements of Sections 6.01, 6.02 and 6.04 will be set forth in detail in Implementation Letters.

SECTION 6.06. Plans, Specifications and Contracts. (a) Except as AID may otherwise agree in writing, Borrower shall furnish to AID promptly upon preparation all plans, specifications,

preparación, todos los planos, especificaciones, calendarios, documentos de licitación y contratos relacionados con el proyecto, y las modificaciones a los mismos, tanto si las mercaderías o servicios a que se refieren serán financiados con fondos del Préstamo o no.

(b) Excepto que la AID convenga lo contrario por escrito, todos los planos y especificaciones proporcionados de acuerdo con la subsección (a) anterior, deberán ser aprobados por escrito por la AID.

(c) Todos los documentos de licitación y los documentos relacionados con la solicitud de propuestas relacionadas con artículos y servicios a ser financiados dentro del préstamo deberán ser aprobados por AID por escrito antes de su publicación. Todos los planos, especificaciones, y otros documentos relacionados a artículos y servicios financiados dentro del préstamo deberán indicarse en términos de normas y medidas de los Estados Unidos, a menos que la AID convenga otra cosa por escrito.

(d) Los contratos siguientes financiados con el Préstamo deberán ser aprobados por la AID, por escrito, previo a su ejecución:

(i) contratos por servicios de ingeniería y otros servicios profesionales;

(ii) contratos por servicios de construcción;

(iii) contratos para aquellos otros servicios que la AID pueda especificar; y

(iv) contratos por equipo y otros artículos.

schedules, bid documents and contracts or other arrangements relating to the Project, and any modifications therein, whether or not the goods and services to which they relate are financed under the Loan.

(b) Except as AID may otherwise agree in writing, all of the plans and specifications furnished pursuant to subsection (a) above shall be approved by AID in writing.

(c) All bid documents and documents related to the solicitation of proposals concerning goods and services financed under the Loan shall be approved by AID in writing prior to their issuance. All plans, specifications, and other documents relating to goods and services financed under the Loan shall be in terms of United States standards and measurements, except as AID may otherwise agree in writing.

(d) The following contracts financed under the Loan shall be approved by AID in writing prior to their execution:

(i) contracts for engineering, consultant and other professional services;

(ii) contracts for construction services;

(iii) contracts for such other services as AID may specify; and

(iv) contracts for equipment and other commodities.

En caso de suscribirse contratos por cualquiera de los servicios indicados arriba, el contratista y el personal del contratista estarán sujetos a la aprobación escrita de la AID y el Prestatario. Modificaciones materiales en cualquiera de tales contratos y cambios de personal deberán ser aprobados también por la AID y el Prestatario por escrito antes de que entren en vigor.

(e) Para asegurar la integración adecuada de los planes y operaciones del proyecto, el empleo de (i) las firmas consultoras y/o consultores individuales utilizados por el Prestatario para el proyecto pero que no sean financiados con fondos del Préstamo, el alcance de sus servicios y su personal asignado al proyecto que la AID especifique, y (ii) contratistas constructores utilizados por el Prestatario para el Proyecto pero no financiados con fondos provenientes del Préstamo, deberán someterse a la consulta y aprobación tanto del Prestatario como de AID.

SECCION 6.07. Precio Razonable. No deberán pagarse precios mayores que los razonables por la adquisición o compra de cualesquiera mercaderías o servicios financiados en su totalidad o en parte, con este Préstamo. Los mismos deberán ser adquiridos, exceptuando servicios profesionales, a base de competencia, de acuerdo con los procedimientos prescritos en las Cartas de Ejecución.

SECCION 6.08. Empleo de Ciudadanos de Países Excluidos del

In the case of any of the above contracts for services, the contractor and designated contractor personnel shall be subject to the written approval of AID and Borrower. Material modifications in any of such contracts and changes in any of such personnel shall also be subject to approval by AID and Borrower in writing prior to their becoming effective.

(e) To insure proper integration of project plans and operations, employment of: (i) Consultants and/or consulting firms used by the Borrower for the Project but not financed under the Loan, the scope of their services and such of their personnel assigned to the Project as AID may specify, and (ii) construction contractors used by the Borrower for the Project but not financed under the Loan, shall be subject to prior consultation and mutual approval between AID and the Borrower.

SECTION 6.07. Reasonable Price. No more than reasonable prices shall be paid for any goods or services financed, in whole or in part, under the Loan. Such items shall be procured on a fair and, except for professional services, on a competitive basis in accordance with procedures prescribed in Implementation Letters.

SECTION 6.08. Employment of Non-Selected Free World Na-

Mundo Libre Seleccionado bajo Contratos de Construcción. El empleo de personal para prestar servicios dentro de cualquier contrato de construcción financiado dentro del Préstamo estará sujeto a ciertos requisitos con respecto a ciudadanos de países que no sean de la República de Guatemala y países incluidos en el Código 941 del Libro de Códigos Geográficos de AID en vigor al momento de suscribir dicho contrato de construcción. Estos requisitos se detallarán en Cartas de Ejecución.

SECCION 6.09. Embarque y Seguro. (a) Los "Artículos de Países Seleccionados del Mundo Libre" financiados dentro del Préstamo deberán ser transportados a Centroamérica únicamente en naves que ostenten bandera de un país incluido en el Código 935 del Libro de Códigos Geográficos de AID en vigor al momento de efectuar el embarque. Ninguna de estas mercaderías podrá ser transportada en ningún barco (o nave aérea) (i) la cual AID, por medio de notificación al Prestatario, haya designado como inelegible para transportar artículos financiados por AID, o (ii) la cual haya sido fletada para el transporte de artículos financiados por AID, a menos que dicho flete haya sido aprobado por AID.

(b) A menos que AID determine que barcos privados de los Estados Unidos no se encuentran disponibles a precios justos y razonables (i) por lo menos un cincuenta por ciento (50%) del tonelaje bruto de todas las mercaderías (computando se-

tionales Under Construction Contracts. The employment of personnel to perform services under any construction contract financed under the Loan shall be subject to certain requirements with respect to nationals of countries other than the Republic of Guatemala and countries included in Code 941 of the AID Geographic Code Book as in effect at the time the construction contract is entered into. These requirements will be set forth in Implementation Letters.

SECTION 6.09. Shipping and Insurance. (a) Selected Free World Goods financed under the Loan shall be transported to Central America only on flag carriers of a country included in Code 935 of the AID Geographic Code Book as in effect at the time of shipment. No such goods may be transported on any ocean vessel (or aircraft) (i) which AID, in a notice to the Borrower, has designated as ineligible to carry AID-financed goods or (ii) which has been chartered for the carriage of AID-financed goods unless such charter has been approved by AID.

(b) Unless AID shall determine that privately owned United States flag commercial vessels are not available at fair and reasonable rates for such vessels, (i) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry

paradamente el transporte global de carga "dry bulk carriers, dry cargo liners and tankers") financiadas con fondos del préstamo que deban ser transportadas en embarque marítimo deberán ser transportadas en barcos comerciales privados con bandera de Estados Unidos, y (ii) por lo menos un cincuenta por ciento (50%) de la ganancia bruta generada por los embarques financiados con este préstamo y transportados a Centroamérica en barcos cargueros deberá ser pagada a o por el beneficio de barcos comerciales privados de los Estados Unidos. Se deberá cumplir con los requisitos estipulados en (i) y (ii) indicados anteriormente, en lo que respecta tanto a carga transportada de puertos de los Estados Unidos como carga transportada de puertos que no sean de los Estados Unidos, computados separadamente.

(c) El seguro marítimo de los "Artículos de Países Seleccionados del Mundo Libre" podrá ser financiado con fondos provenientes del Préstamo, efectuando desembolsos de conformidad con lo estipulado en la Sección 7.01, siempre y cuando: (i) dicho seguro se obtenga al precio más bajo disponible en Centroamérica o en cualquier país incluido en el Código 941 del Libro de Códigos Geográficos de AID en vigor al momento de obtener el seguro; y (ii) toda reclamación que se derive de ese seguro será pagadera en moneda fácilmente convertible. Si el Prestatario por estatuto, decreto, acuerdo, reglamento o práctica discriminara en lo que respecta a las compras

bulk carriers, dry cargo liners and tankers) financed under the Loan which may be transported on ocean vessels shall be transported on privately owned United States-flag commercial vessels, and (ii) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed under the Loan and transported to Central America 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 (i) and (ii) above must be achieved with respect to both cargo transported from U.S. ports and cargo transported from non-U.S. ports, computed separately.

(c) Marine insurance on Selected Free World Goods may be financed under the Loan with disbursements made pursuant to Section 7.01, provided (i) such insurance is placed at the lowest available competitive rate in Central America or in a country included in Code 941 of the AID Geographic Code Book as in effect at the time of placement, and (ii) claims thereunder are payable in the currency in which such goods were financed or in a freely convertible currency. If the Borrower by statute, decree, rule, regulation, or practice discriminates with respect to AID-financed procurement against any marine insurance company authorized to do business in any

financiadas con fondos provenientes de la AID, contra cualquier compañía de seguro marítimo autorizada para trabajar en cualquier estado de los Estados Unidos de América, entonces las mercaderías elegibles financiadas con el Préstamo transportadas a la República de Guatemala deberán asegurarse contra riesgo marítimo en los Estados Unidos de América con una compañía o compañías autorizadas para efectuar transacciones de seguros marítimos de cualquier estado de los Estados Unidos de América.

(d) El Prestatario asegurará o velará por que se aseguren todos los "Artículos de Países Seleccionados del Mundo Libre" financiados bajo el Préstamo contra todo riesgo posible durante el tránsito al lugar de utilización en el proyecto. Dicho seguro será emitido de acuerdo a términos y condiciones usadas en la práctica comercial, y asegurarán el valor total de las mercaderías. Cualquier indemnización recibida por el Prestatario proveniente del seguro será utilizada por el Prestatario para reemplazar o reparar la pérdida o daño material de las mercaderías aseguradas, o será utilizado para reembolsar al Prestatario por el reemplazo o reparación de dichas mercaderías. Cualquier reemplazo tendrá su fuente y origen en países de Centroamérica o en países incluidos en el Código 941 del Libro de Códigos Geográficos de AID en vigor al momento de emitir el pedido o de suscribir el contrato de compra para dichos reemplazos, y estarán en todo momento sujetas a las especificaciones de este Convenio.

State of the United States, then all goods shipped to the Republic of Guatemala financed under the Loan shall be insured against marine risks and such insurance shall be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(d) The Borrower shall insure, or cause to be insured, all Selected Free World Goods financed under the Loan against risks incident to their transit to the point of their use in the Project. Such insurance shall be issued upon terms and conditions consistent with sound commercial practice and shall insure the full value of the goods. Any indemnification received by the Borrower under such insurance shall be used to replace or repair any material damage or any loss of the goods insured or shall be used to reimburse the Borrower for the replacement or repair of such goods. Any such replacements shall have their source and origin in countries of Central America and countries included in Code 941 of the AID Geographic Code Book as in effect at the time orders are placed or contracts are entered into for such replacements, and shall be otherwise subject to the provisions of this Agreement.

SECCION 6.10. Notificación a Proveedores Potenciales. Con el fin de que todas las firmas de los Estados Unidos tengan oportunidad de participar en la venta de mercaderías y servicios a ser financiados con el Préstamo, el Prestatario proporcionará a la AID la información respectiva en las épocas y fechas que se determine en las Cartas de Ejecución.

SECCION 6.11. Bienes Excedentes Pertenecientes al Gobierno de los Estados Unidos. Siempre que se conformen a los requerimientos del proyecto y que estén disponibles dentro de un período de tiempo razonable, el Prestatario utilizará con respecto a las mercaderías finanziadas con el Préstamo que pasen a ser propiedad del Prestatario en la fecha de su compra, aquellos Bienes Excedentes de Propiedad del Gobierno de los Estados Unidos que hayan sido reacondicionados. El Prestatario buscará la ayuda de la AID, y la AID ayudará al Prestatario para determinar la disponibilidad y obtención de tales Bienes Excedentes. La AID hará los arreglos para cualquier inspección que se haga necesaria de tales bienes por parte del Prestatario o de sus representantes. Los costos de inspección y adquisición, y todos los cargos incidentes al transpaso de tales Bienes Excedentes al Prestatario podrán ser finanziados con el Préstamo. Antes de la adquisición, finanziada con fondos del Préstamo, de cualquier bien que no sea propiedad excedente, y después de haber solicitado la

SECTION 6.10. Notification to Potential Suppliers. In order that all United States firms shall have the opportunity to participate in furnishing goods and services to be financed under the Loan, Borrower shall furnish to A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Implementation Letters.

SECTION 6.11. United States Government-Owned Excess Property. Borrower shall utilize, with respect to goods financed under the Loan to which Borrower takes title at the time of procurement, such reconditioned United States Government-Owned Excess Property as may be consistent with the requirements of the Project and as may be available within a reasonable period of time. Borrower shall seek assistance from A.I.D. and A.I.D. will assist Borrower in ascertaining the availability of and in obtaining such Excess Property. A.I.D. will make arrangements for any necessary inspection of such property by the Borrower or its representative. The costs of inspection and of acquisition, and all charges incident to the transfer to the Borrower of such excess property may be financed under the Loan. Prior to the procurement of any goods, other than Excess Property, financed under the Loan, and after having sought such A.I.D. assistance, Borrower shall indicate to A.I.D. in writing, on the basis of information then available to it, either that such goods cannot be made available

ayuda de la AID, el Prestatario deberá indicar a la misma por escrito, con base en la información disponible para ese efecto, ya sea que dichos bienes no pueden ser adquiridos en un período de tiempo adecuado de los Bienes Excedentes Reacondicionados del Gobierno de los Estados Unidos o que los bienes no son técnicamente adecuados a ser utilizados en este Proyecto.

SECCION 6.12. Información y Marcas. El Prestatario dará publicidad al Préstamo y al Proyecto como un programa de ayuda de los Estados Unidos, efectuado dentro de los objetivos de la Alianza para el Progreso, y marcará las mercaderías financieradas con el Préstamo de acuerdo con lo prescrito en las Cartas de Ejecución.

ARTICULO VII

Desembolsos

SECCION 7.01. Desembolsos para Cubrir Costos en Dólares de los Estados Unidos—Cartas de Compromiso para Bancos de los Estados Unidos. Tan luego se hayan llenado los requisitos previos, el Prestatario podrá solicitar a la AID que emita Cartas de Compromiso por cantidades especificadas contra uno o más bancos de los Estados Unidos satisfactorios a la AID, en las que la AID se comprometa a reembolsar a tales bancos por los pagos en dólares que hagan por medio de Cartas de Crédito u otros documentos a los contratistas o proveedores de mercaderías o servicios adquiridos

from reconditioned United States Government-Owned Excess Property on a timely basis or that the goods that can be made available are not technically suitable for use in the Project.

SECTION 6.12. Information and Marking. Borrower shall give publicity to the Loan and the Project as a program of United States aid in furtherance of the Alliance for Progress, identify the Project site, and mark goods financed under the Loan, as prescribed in Implementation Letters.

ARTICLE VII

Disbursements

SECTION 7.01. Disbursements for United States Dollar Costs—Letters of Commitment to United States Banks. Upon satisfaction of conditions precedent, Borrower may, from time to time, request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States 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, through the use of Letters of Credit or otherwise, for Dollar Costs of goods and services procured for the Project in accordance with the terms and conditions of this

para el Proyecto de acuerdo con los términos y condiciones de este Convenio. El pago a un contratista o proveedor por el banco o por los bancos será efectuado contra la presentación de los comprobantes que la AID determine en las Cartas de Compromiso y en las Cartas de Ejecución. Los cargos bancarios en relación a las Compromiso y a las Cartas de Crédito serán por cuenta del Prestatario y se podrán financiar con fondos del Préstamo.

SECCION 7.02. Desembolsos para Costos en Moneda Local.

Al estar satisfechas las condiciones previas, el Prestatario podrá, oportunamente, solicitar un desembolso de la AID de moneda local para cubrir los costos en moneda local de mercaderías y servicios adquiridos para el Proyecto de acuerdo con los términos de este convenio, presentando a la AID aquellos comprobantes que ésta prescriba en las Cartas de Ejecución. La AID podrá efectuar desembolsos de moneda local perteneciente al Gobierno de los Estados Unidos y obtenida por la AID con dólares de los Estados Unidos. El equivalente de moneda local en dólares de los Estados Unidos disponible por este medio será la suma de dólares de Estados Unidos que la AID necesitará para obtener la cifra en moneda local.

SECCION 7.03. Otras Formas de Desembolso. Para los efectos del Préstamo también podrán hacerse desembolsos por otros medios que el Prestatario y la AID convengan por escrito.

Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. Banking charges incurred in connection with Letters of Commitment and Letters of Credit shall be for the account of Borrower and may be financed under the Loan.

SECTION 7.02. Disbursement for Local Currency Costs. Upon

satisfaction of conditions precedent, Borrower may, from time to time request disbursement by A.I.D. of local currency for Local Currency Costs of goods and services procured for the Project in accordance with the terms and conditions of this Agreement by submitting to A.I.D. such supporting documentation as A.I.D. may prescribe in Implementation Letters. A.I.D. shall make such disbursements from local currency owned by the United States Government and obtained by A.I.D. with United States dollars. The United States dollar equivalent of the local currency made available hereunder will be the amount of United States dollars required by A.I.D. to obtain the local currency.

SECTION 7.03. Other Forms of Disbursements. Disbursements of the Loan may also be made through such other means as Borrower and A.I.D. may agree to in writing.

SECCION 7.04. Fecha de Desembolsos. Los desembolsos se considerarán como efectuados por la AID: (a) en los casos especificados en la Sección 8.01, tomándose como fecha el día en que la AID haga un desembolso a favor del Prestatario, de su designado o de una institución bancaria de conformidad con una Carta de Compromiso; y (b) en los casos de desembolsos contemplados en la Sección 7.02, en la fecha en que la AID entregue moneda local a favor del Prestatario o de su designado.

SECCION 7.05. Fecha Final para Desembolsos. Excepto que la AID convenga lo contrario por escrito, no deberá emitirse ninguna Carta de Compromiso, ni documentos que persigan ese fin o enmiendas según la Sección 7.03, por solicitudes hechas después del 30 de junio de 1979, ni tampoco podrá efectuarse ningún desembolso contra documentación recibida por la AID o cualquier banco de acuerdo con lo estipulado en la Sección 7.01, después del 31 de diciembre de 1979. La AID podrá, en cualquier momento después del 30 de junio de 1979, reducir el Préstamo en la totalidad o parte para las cuales no se hayan recibido Documentos de Compromiso en la fecha especificada.

ARTICULO VIII

Cancelación y Suspensión

SECCION 8.01. Cancelación por Parte del Prestatario. El Prestatario podrá, previo consentimiento por escrito de la AID, dar

SECTION 7.04. Date of Disbursement. Disbursements by AID shall be deemed to occur, (a) in the case of disbursements pursuant to Section 7.01, on the date on which AID makes a disbursement to Borrower, its designee, or a banking institution pursuant to a Letter of Commitment and (b) in the case of disbursement pursuant to Section 7.02, on the date on which AID disburses the local currency to the Borrower or its designee.

SECTION 7.05. Terminal Date for Disbursement. Except as AID may otherwise agree in writing, no Letter of Commitment, or other commitment documents which may be called for by another form of disbursement under Section 7.03, or amendment thereto shall be issued in response to requests received by AID after June 30, 1979 and no disbursement shall be made against documentation received by AID or any bank described in Section 7.01 after December 31, 1979. AID, at its option, may at any time or times after June 30, 1979 reduce the Loan by all or any part thereof for which commitment documentation was not received by such date.

ARTICLE VIII

Cancellation and Suspension

SECTION 8.01. Cancellation by Borrower. Borrower may, with the prior written consent of AID, by written notice to AID,

por terminada cualquier parte del Préstamo que: (i) previamente a la notificación, la AID no se haya comprometido a desembolsar; y (ii) no haya sido utilizada por medio de la emisión de Cartas de Crédito irrevocables.

SECCION 8.02. Casos de Incumplimiento: Aceleración. La AID podrá notificar al Prestatario que todo o parte del Principal pendiente de pago se considera vencido y pagadero sesenta (60) días después, si ocurre cualesquiera de los siguientes casos de incumplimiento:

(a) Si el Prestatario dejare de pagar a su vencimiento cualquier interés o dejare de efectuar cualquier amortización del Principal.

(b) Si el Prestatario dejare de cumplir con cualquier otra obligación derivada de este Convenio, incluyendo la obligación de llevar a cabo el Proyecto con la debida diligencia y eficiencia.

(c) Si el Prestatario dejare de pagar a su vencimiento los intereses o amortizaciones de cualquier pago, sea el Principal o cualquier otro pago y que se deriven de este Convenio o de cualquier otro Convenio (de garantía o de otra naturaleza) celebrado entre el Prestatario y sus instituciones y la AID o cualquiera de sus Agencias antecesoras.

A menos que el caso de incumplimiento sea remediado dentro de los sesenta (60) días relacionados:

cancel any part of the Loan (i) which, prior to the giving of such notice, AID has not disbursed or committed itself to disburse, or (ii) which has not then been utilized through the issuance of irrevocable Letters of Credit.

SECTION 8.02. Events of Default: Acceleration. If any one or more of the following events ("Events of Default") shall occur:

(a) Borrower shall have failed to pay when due any interest or installment of Principal required under this Agreement;

(b) Borrower shall have failed to comply with any other provision of this Agreement, including, but without limitation, the obligation to carry out the Project with due diligence and efficiency; or

(c) Borrower shall have failed to pay when due any interest or any installment of Principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between Borrower or any of its agencies and AID or any of its predecessor agencies;

Then AID may, at its option, give to Borrower notice that all or any part of the unpaid Principal shall be due and payable sixty (60) days thereafter, and, unless the Event of Default is cured within such sixty (60) days:

(i) el Principal pendiente de pago y los intereses acumulados sobre el mismo se considerarán vencidos y pagaderos inmediatamente; y

(ii) el monto de cualquier otro desembolso adicional hecho de conformidad con las Cartas de Crédito irrevocables o de otros documentos, se considerarán vencidos y pagaderos tan pronto como sean efectuados.

SECCION 8.03. Suspensión de Desembolsos. La AID podrá tomar las medidas relacionadas si se diere cualquiera de los siguientes hechos:

(a) Si ha ocurrido un caso de incumplimiento.

(b) Si ocurre un caso que la AID determine como una situación extraordinaria que haga improbable que so logre el propósito del Préstamo o que el Prestatario pueda cumplir con las obligaciones que se deriven de este Convenio.

(c) Si se efectúa cualquier desembolso contraviniendo los reglamentos de la AID.

(d) Si el Prestatario ha dejado de efectuar a su vencimiento cualquier pago por concepto de intereses y/o principal, o cualquier otro pago requerido por cualquier otro convenio de Préstamo, convenio de garantía, o cualquier otro convenio entre el Prestatario y el Gobierno de los Estados Unidos o cualquiera de sus agencias.

(e) Si no se está llevando a cabo un progreso satisfactorio al realizar todo o parte del Proyecto de acuerdo con los términos de este Convenio.

(i) such unrepaid Principal and any accrued interest hereunder shall be due and payable immediately; and

(ii) the amount of any further disbursements made under then outstanding irrevocable Letters of Credit or otherwise shall become due and payable as soon as made.

SECTION 8.03. Suspension of Disbursement. In the event that at any time:

(a) An Event of Default has occurred; or

(b) An event occurs that AID determines to be an extraordinary situation that makes it improbable either that the purpose of the Loan will be attained or that Borrower will be able to perform its obligations under this Agreement; or

(c) Any disbursement would be in violation of the legislation governing AID; or

(d) Borrower or any of its agencies shall have failed to pay when due any interest or any installment of Principal or any other payment required under any loan agreement, any guaranty agreement or any other agreement between Borrower or any of its agencies and the Government of the United States or any of its agencies; or

(e) Satisfactory progress is not being made in carrying out all or part of the Project according to the terms of this Agreement;

Entonces la AID podrá, a su opción:

(i) Suspender o dejar sin efecto los documentos de compromiso pendientes hasta donde los mismos no hayan sido utilizados por medio de la emisión de Cartas de Crédito irrevocables o por medio de pagos bancarios efectuados por otros medios que no sean Cartas de Crédito irrevocables, en cuyo caso AID notificará prontamente al Prestatario.

(ii) Negarse a efectuar desembolsos que no estén incluidos en documentos de compromiso vigentes.

(iii) Negarse a emitir documentos adicionales de compromiso.

(iv) Gestionar por su cuenta, que el título de propiedad de las mercaderías financiadas con el Préstamo sea traspasado a la AID si las mismas provienen de fuentes fuera de Guatemala, y si se encuentran en estado de ser entregadas y no han sido descargadas en puertos de entrada de Guatemala. En este caso, cualquier desembolso que haya efectuado para el traspaso de tales mercaderías será deducido del Principal.

SECCION 8.04. Cancelación por Parte de la AID: Despues de cualquier suspensión de desembolsos de conformidad con la Sección 8.03, si la causa o causas de tal suspensión no han sido eliminadas o corregidas dentro de los sesenta (60) días después de la fecha de suspensión, la AID podrá, a su opción, en cualquier momento, dar por cancelada la totalidad o la parte del Préstamo

Then AID may at its option:

(i) Suspend or cancel outstanding commitment documents to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit, in which event, AID shall give notice to Borrower promptly thereafter;

(ii) Decline to make disbursements other than under outstanding commitment documents;

(iii) Decline to issue additional commitment documents;

(iv) At AID's expense, direct that title to goods financed under the Loan shall be transferred to AID if the goods are from a source outside Guatemala, are in a deliverable state and have not been offloaded in ports of entry of Guatemala. Any disbursement made or to be made under the Loan with respect to such transferred goods shall be deducted from Principal.

SECTION 8.04. Cancellation by AID. Following any suspension of disbursements pursuant to Section 8.03, if the cause or causes for such suspension of disbursement shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, AID may, at its option, at any time or times thereafter, cancel all or any part of the Loan that is not then

que no haya sido desembolsada o comprometida por medio de Cartas de Crédito irrevocables.

SECCION 8.05. Vigencia Continuada del Convenio. No obstante cualquier rescisión suspensión de desembolso, o aceleración de pago, las disposiciones de este Convenio continuarán en plena vigencia y efecto hasta el pago total de todo el Principal y de cualesquiera intereses devengados por el mismo.

SECCION 8.06. Reembolsos.

(a) En caso de que se efectúe un desembolso que no esté respaldado por documentación válida, o si no se efectúa o utiliza de conformidad con los términos de este Convenio, AID, a pesar de tener a su disposición el ejercicio de cualquiera de los remedios indicados en este Convenio, podrá requerir al Prestatario que le reembolso la cantidad respectiva en Dólares de los Estados Unidos, dentro de los treinta (30) días siguientes al recibo de la solicitud respectiva. Dicha cantidad deberá ser aplicada primero a cubrir el costo de las mercaderías y servicios adquiridos para el Proyecto, siempre que esté justificado; y el resto, si lo hubiere, será aplicado a amortizar el Principal en orden inverso a su vencimiento, y la suma total del Préstamo será reducida al saldo. No obstante cualquier otra estipulación indicada en este Convenio, el derecho de la AID de solicitar el reembolso con preferencia a cualquier desembolso efectuado con fondos del Préstamo estará vigente durante cinco años después de la fecha del desembolso que lo originó.

either disbursed or subject to irrevocable Letters of Credit.

SECTION 8.05. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursement, or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect until the payment in full of all Principal and any accrued interest hereunder.

SECTION 8.06. Refunds.

(a) In case of any disbursement not supported by valid documentation in accordance with the terms of this Agreement, or of any disbursement not made or used in accordance with the terms of this Agreement, AID, notwithstanding the availability or exercise of any of the other remedies provided for under this Agreement, may require Borrower to refund such amount in United States dollars to AID within thirty days after receipt of a request therefor. Such amount shall be made available first for the cost of goods and services procured for the Project hereunder, to the extent justified; the remainder, if any, shall be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder. Notwithstanding any other provision in this Agreement, AID's right to require a refund with respect to any disbursement under the Loan shall continue for five years following the date of such disbursement.

(b) En caso de que la AID perciba algún reembolso de cualquier contratista, proveedor, institución bancaria o de cualquier otra entidad relacionada con el Préstamo, con respecto a mercaderías o servicios financiados con el mismo, y que tal reembolso se relacione con el cobro de precios irrazonables por mercaderías y/o servicios a la venta, o de mercaderías que no llenaron las especificaciones del caso, o que los servicios resultaron inadecuados, la AID proporcionará los fondos del reembolso para cubrir, primero, el costo de mercaderías y servicios adquiridos para el Proyecto, siempre que esté justificado. El resto de dichos reembolsos lo aplicará a las amortizaciones del Principal en orden inverso a su vencimiento y el monto del Préstamo será reducido al saldo.

SECCION 8.07. Gastos de Cobro. Todos los gastos razonables en que incurra la AID, que no sean sueldos de su personal, en relación con el cobro de cualquier reembolso o relacionado con las cantidades que se le adeuden con base en los casos especificados en la Sección 8.02, serán cargados al Prestatario y reembolsados a la AID en forma que ésta determine.

SECCION 8.08. Vigencia de Derechos. Ninguna demora en ejercer u omisión de ejercer cualquier derecho, poder, o remedio que tenga la AID de acuerdo con este Convenio, será considerada como una renuncia de cualquiera de tales derechos, poderes o remedios.

(b) In the event that AID receives a refund from any contractor, supplier, or banking institution, or from any other third party connected with the Loan, with respect to goods or services financed under the Loan, and such refund relates to an unreasonable price for goods or services, or to goods that did not conform to specifications, or to services that were inadequate, AID shall first make such refund available for the cost of goods and services procured for the Project hereunder, to the extent justified. The remainder of any such refunds shall be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder.

SECTION 8.07. Expenses of Collection. All reasonable costs incurred by AID, other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due AID by reason of the occurrence of any of the events specified in Section 8.02 may be charged to Borrower and reimbursed to AID in such manner as AID may specify.

SECTION 8.08. Nonwaiver of Remedies. No delay in exercising or omission to exercise any right, power, or remedy accruing to AID under this Agreement shall be construed as a waiver of any such rights, powers, or remedies.

ARTICULO IX**Misceláneos****SECCION 9.01. Comunicaciones.**

Cualquier notificación, solicitud, documentos o comunicación, dada, hecha o enviada por el Prestatario o por AID de acuerdo con este Convenio, deberá hacerse por escrito o por telegrama, cable o radiograma y deberá considerarse como bien dada, hecha o enviada a tal parte cuando sea entregada personalmente o por correspondencia, telegrama, cable o radiograma en las siguientes direcciones:

AL PRESTATARIO:

Dirección Postal:

Ministerio de Finanzas Públicas

Palacio Nacional
Guatemala, C.A.

Dirección Cablegráfica:

MINFINANZAS
Guatemala, C.A.

A LA AID:

Dirección Postal:

Misión AID en Guatemala
c/o Embajada Americana
Ciudad Guatemala, Guatemala, C.A.

Dirección Cablegráfica:

USAID
AMEMBASSY
Guatemala, C.A.

Las direcciones indicadas podrán sustituirse por otras, dando aviso a la otra parte. Excepto que la AID convenga otra cosa por escrito, todas las notificaciones, solicitudes, comunicaciones y documentos presentados a la AID relacionados con este Convenio deberán hacerse en inglés.

ARTICLE IX**Miscellaneous**

SECTION 9.01. Communications. Any notice, request, document or other communications given, made or sent by Borrower or AID pursuant to this Agreement shall be in writing or by telegram, cable or radiogram 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 to such party by hand or by mail, telegram, cable, or radiogram at the following addresses:

TO BORROWER:

Mail Address:

Ministerio de Finanzas Públicas

Palacio Nacional
Guatemala, C.A.

Cable Address:

MINFINANZAS
Guatemala, C.A.

TO AID:

Mail Address:

USAID/Mission to Guatemala
c/o U.S. Embassy
Guatemala City, Guatemala,
C.A.

Cable Address:

USAID
AMEMBASSY
Guatemala, C.A.

Other addresses may be substituted for the above upon giving of notice. All notices, requests, communications, and documents submitted to AID hereunder shall be in English except as AID may otherwise agree in writing.

SECCION 9.02. Representantes.

Para todo lo relacionado con este Convenio, el Prestatario estará representado por la persona que esté a cargo de la oficina del:

Ministro de Finanzas

La AID estará representada por el Director de la Misión en Guatemala o por el Director Interino.

Estas personas tendrán la facultad de delegar su representación previa notificación hecha por escrito a la otra parte. En caso de sustitución, o designación de otro representante, el Prestatario indicará, el nombre y enviará una muestra de la firma de tal representante, en forma satisfactoria a la AID. Hasta que la AID reciba una notificación por escrito de la cancelación de autoridad de cualquier representante autorizado del Prestatario designado de conformidad con esta Sección, podrá aceptar la firma de dicho representante o representantes en cualquier documento, como prueba concluyente de que cualquier acción efectuada por dicho documento es válida y legal.

SECCION 9.03. Cartas de Ejecución. Periódicamente, la AID emitirá Cartas de Ejecución que contendrán el procedimiento a seguir en la ejecución de este Convenio.

SECCION 9.04. Notas de Pago.

En la época o épocas en que la AID solicite, el Prestatario deberá emitir notas de pago o cualquier otra evidencia de endeudamiento derivado del Pré-

SECTION 9.02. Representatives.

For all purposes relative to this Agreement, Borrower will be represented by the individuals holding or acting in the office of:

Minister of Finance

AID shall be represented by the individual holding or acting in the Office of the Director, USAID Mission to Guatemala.

Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and specimen signature in form and substance satisfactory to AID. Until receipt by AID of written notice of revocation of the authority of any of the duly authorized representatives of Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

SECTION 9.03. Implementation Letters. AID shall from time to time issue Implementation Letters that will prescribe the procedures applicable hereunder in connection with the implementation of this Agreement.

SECTION 9.04. Promissory Notes. At such time or times as AID may request, Borrower shall issue promissory notes or such other evidences of indebtedness with respect to the Loan, in such

stamo contenido los términos y respaldado por las opiniones legales que AID pueda solicitar en forma razonable.

SECCION 9.05. Terminación al Efectuarse el Pago Total. Al estar totalmente pagado el Principal y los intereses, este Convenio y todas las obligaciones del Prestatario y AID que se deriven del mismo se tendrán por terminadas.

SECCION 9.06. Idioma. Este Convenio será ejecutado en los idiomas inglés y español. En caso de ambigüedad entre las versiones inglesa y española, la versión inglesa prevalecerá.

SECCION 9.07. Fecha Efectiva. Este Convenio entrará en vigor en la fecha y el año indicados al principio de este Convenio.

EN FE DE LO CUAL, los Gobiernos de Guatemala y de los Estados Unidos de América, actuando por medio de sus respectivos representantes autorizados, celebran este Convenio, lo firman y autorizan en la fecha arriba indicada.

form, containing such terms and supported by such legal opinions as AID may reasonably request.

SECTION 9.05. Termination Upon Full Payment. Upon payment in full of the Principal and of any accrued interest, this Agreement and all obligations of Borrower and AID under this Loan Agreement shall terminate.

SECTION 9.06. Language of Agreements. This Agreement is signed in both Spanish and English in two versions, however, for purposes of resolution of differences in interpretation the English version shall prevail.

SECTION 9.07. Effective Date. This Agreement shall enter into effect on the date and year indicated at the beginning of this Agreement.

IN WITNESS WHEREOF, Borrower, 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.

REPUBLICA DE GUATEMALA

JORGE LAMPORTE RODIL
Lic. Jorge Lamport Rodil
Ministro de Finanzas

GUILLERMO PUTZEYS ALVAREZ
Lic. Guillermo Putzeys Alvarez
Ministro de Educación

JAIME CÁCERES KNOX
Ing. Jaime Cáceres Knox
Vice-Ministro de Comunicaciones y Obras Públicas

THE UNITED STATES OF AMERICA

FRANCIS E. MELOY, JR.

Francis E. Meloy, Jr.
Ambassador

EDWARD W. COY

Edward W. Coy
Director

USAID Mission to Guatemala

ANEXO I

El Proyecto

El proyecto consiste en un programa coordinado para introducir reformas básicas en el sistema de educación primaria en el área rural, el cual proporcionará a los habitantes del área rural de Guatemala una educación primaria más eficiente y relevante. Este programa enfatizará el uso de un sistema nuevo integrado, utilizando la técnica de solución de problemas en el aula, y el cual está diseñado para dotar a los estudiantes con el conocimiento, habilidades y actitudes necesarias para mejorar su bienestar.

En su estado actual el programa representa una expansión dentro del sistema de educación primaria rural por medio de una metodología didáctica innovadora diseñada por el Ministerio de Educación a través de la oficina del Programa de Extensión y Mejoramiento de la Educación Primaria (PEMEP).

El objetivo de este proyecto es llevar a cabo la expansión de esta nueva metodología didáctica en escuelas primarias ubicadas en dos regiones prioritarias para el desarrollo:

- (1) La Región del Altiplano Occidental—la cual incluye los departamentos

ANNEX I

The Project

The Project consists of a coordinated program to introduce basic reforms in the rural primary education system which will provide rural Guatemalans with a more relevant and efficient primary education. This program will stress the use of the new integrated, problem-solving approach to learning which is designed to equip students with the basic knowledge, skills and attitudes necessary to improve their lives. As such the program represents an expansion within the rural primary education system of an innovative teaching methodology developed by the Ministry of Education through the office of the Programa de Extensión y Mejoramiento de la Educación Primaria (PEMEP).

The objective of this Project is to implement the expansion of this new teaching methodology in primary schools located in two priority development regions:

- (1) The Western Highland Region—which includes the Departments of Hue-

- de Huehuetenango, El Quiché, Totonicapán, Sololá, Chimaltenango, Sacatepéquez y la parte montañosa de San Marcos y Quezaltenango; y
- (2) La Región Oriental—la cual incluye los departamentos de Jutiapa, Jalapa, Santa Rosa, Chiquimula y Zacapa.

El programa coordinado para introducir la nueva metodología educativa en las zonas prioritarias mencionadas anteriormente incluirá las siguientes actividades:

1. Un programa de adiestramiento en el servicio a gran escala para supervisores, directores, maestros y otros técnicos;
2. Ampliación de las instalaciones escolares, y la construcción de nuevas escuelas cuando se considera esencial.
3. Adquisición de equipo didáctico, materiales y libros de texto necesarios para apoyar la nueva metodología educativa. Y,
4. Desarrollo de una Unidad de Investigación y Evaluación responsable de la reforma al currículum que se está llevando a cabo actualmente y los diferentes estudios para mejorar la calidad e importancia del proceso de educación primaria.

Del costo total del proyecto, \$7,000,000 serán financiados con fondos del préstamo. El Gobierno de Guatemala contribuirá con el mínimo de Q4,000,000 de nuevos

- huehuetenango, El Quiché, Totonicapán, Sololá, Chimaltenango, Sacatepéquez and the mountainous portions of San Marcos and Quezaltenango; and
- (2) The Eastern Region—which includes the Departments of Jutiapa, Jalapa, Santa Rosa, Chiquimula and Zacapa.

The coordinated program to introduce the new teaching methodology in the above priority regions will include the following activities:

1. Large scale in-service training program for supervisors, directors, teachers and other technicians.
2. Expansion of school facilities and the construction of new schools where considered essential.
3. Procurement of teaching equipment, materials and textbooks necessary to support the new teaching methodology, and
4. Development of a Research and Evaluation Unit responsible for on-going curriculum reform and various studies to improve the quality and relevance of the primary education process.

Of the total project cost, \$7,000,000 will be financed with funds from the loan. The Government of Guatemala will contribute a minimum of Q4,000,000

recursos presupuestarios para el proyecto. Además, se calcula que Q1,700,000 en costos que normalmente aparecen en el presupuesto del Gobierno (principalmente los sueldos de maestros y promotores que recibirán adiestramiento en el servicio) pueden atribuirse al Proyecto. El cuadro siguiente es un resumen de las contribuciones estimadas para financiar el proyecto.

in new budgetary resources for the Project. In addition, it is estimated that Q1,700,000 in costs normally appearing within the Government's budget (principally the salaries of teachers and promotores who will receive in-service training) can be attributed to the Project. The following table is a summary of the estimated project financing contribution:

**Resumen de Requisitos Financieros del Proyecto
(en miles)**

	<u>AID</u>	<u>Nuevas Asignaciones Presupuestarias</u>	<u>Otros Gastos*</u>
I. Componentes Cualitativos			
Adiestramiento de Personal	\$ 640	Q1, 450	Q 195
Sueldos nuevos maestros/promotores	—	—	1, 100
Libros de Texto	560	760	—
Equipo escuelas	900	—	—
Material didáctico y suministros	330	20	—
Vehículos	50	315	—
Investigación/Desarrollo/Evaluación	290	55	55
Sub-Total	<hr/> 2, 770	<hr/> 2, 600	<hr/> 1, 350
II. Componentes Cuantitativos			
Ampliación y Construcción de Escuelas Regionales	2, 810	700	—
Ampliación y Construcción de Escuelas Satélite	900	300	—
Ampliación Escuelas Normales Rurales	200	50	—
Administración de Proyecto	—	—	350
Costos contingentes de Construcción	320	100	—
Mantenimiento de Escuelas	—	250	—
Sub-Total	<hr/> 4, 230	<hr/> 1, 400	<hr/> 350
Costo Total del Proyecto:	<u>\$7, 000</u>	<u>Q4, 000</u>	<u>Q1, 700</u>

*Estas cifras representan el valor de los servicios proporcionados al Proyecto por los empleados del Gobierno de Guatemala.

Summary of Project Financing Requirements
 (in thousands)

	AID	Government of Guatemala	
	New Budgetary Allocations	Recurring Costs	
I. Qualitative Components			
Training of Personnel	\$ 640	Q1, 450	Q 195
Salaries new teachers/promotores	—	—	1, 100
Textbooks	560	760	—
School Equipment	900	—	—
Teaching Materials and Supplies	330	20	—
Vehicles	50	315	—
Research/Development/Evaluation	290	55	55
Sub-Total	\$2, 770	Q2, 600	Q1, 350
II. Quantitative Components			
Expansion and Construction of Regional Schools	2, 810	700	—
Expansion and Construction of Satellite Schools	900	300	—
Expansion of Rural Normal Schools	200	50	—
Project Administration	—	—	350
Construction Contingency	320	100	—
School Maintenance	—	250	—
Sub-Total	4, 230	1, 400	350
TOTAL PROJECT COST:	\$7, 000	Q4, 000	Q1, 700

MEXICO

Narcotic Drugs: Additional Cooperative Arrangements To Curb Illegal Traffic

*Agreement amending the agreements of August 9, 1976
and February 4, 1976, as amended.*

Effectuated by exchange of letters

*Signed at México September 30, 1976;
Entered into force September 30, 1976.*

The American Ambassador to the Mexican Attorney General

EMBASSY OF THE
UNITED STATES OF AMERICA

September 30, 1976

His Excellency
Lic. Pedro Ojeda Paullada
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 willing to enter into additional cooperative arrangements with the Government of Mexico to reduce such traffic. These additional arrangements are in some cases for the effect of extending or amending prior cooperative arrangements to the extent provided herein.

The United States Government, for its part, will provide the following equipment, personnel, training, as may be deemed useful and desirable by the Government of Mexico.

(1) An additional One Million Six Hundred Seventy-Three Thousand Dollars (\$1,673,000) for aircraft maintenance, spares, services, support equipment and accessories under the United States Government Contract with the Bell Helicopter Company in order to extend this contract until June 30, 1977.

(2) To increase by Eighty-Six Thousand Dollars (\$86,000) from One Million Seventy Thousand Dollars (\$1,070,000) to One Million One Hundred Fifty-Six Thousand Dollars (\$1,156,000) the cost of technical support by Spectral Data Corporation for the 1976-1977 Narcotics Eradication Program as agreed to in the letter of August 9, 1976. [1]

(3) An additional Thirty-Three Thousand Dollars (\$33,000) to reimburse the Government of Mexico in an amount equal to the cost of supplements to salaries, in excess of present wage scale restrictions of the Office of the Attorney General for support personnel as mutually agreed upon exclusively dedicated to the program to curb illegal production and trafficking in narcotics as agreed to in the letter of February 4, 1976 and amended by the letter of May 18, 1976. [2]

¹TIAS 8411; *ante*, p. 3937.

²TIAS 8294, 8295; *ante*, p. 1973, p. 1977.

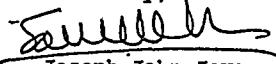
The Government of Mexico agrees to provide documentation which both governments mutually agree is appropriate and acceptable to verify the above-mentioned expenses when a request for reimbursement is made (or an accounting in the case of an advance of funds), in accordance with the terms of this agreement.

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 assurance of my highest consideration and personal esteem.

Sincerely,



Joseph John Jova
Ambassador

The Mexican Attorney General to the American Ambassador

México, D. F., septiembre 30 de 1976.

PROCURADURÍA GENERAL
DE LA
REPÚBLICA

Excelentísimo Señor
Joseph John Jova.
EmbaJador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
C i u d a d .

Estimado Señor Embajador:

Me permito dar contestación a su atenta carta de esta fecha, cuyo texto vertido al español es como sigue:

" Confirmando las conversaciones celebradas recientemente entre funcionarios de nuestros dos gobiernos relacionadas con la cooperación entre México y los Estados Unidos para controlar el tráfico ilícito de estupefacientes, me es grato notificarte que el Gobierno de los Estados Unidos está dispuesto a celebrar acuerdos cooperativos adicionales con el Gobierno de México a fin de reducir tal tráfico. Estos acuerdos adicionales en -- algunos casos tendrán el efecto de extender o enmendar acuerdos cooperativos previos en la medida dispuesta más adelante.

Los Estados Unidos, por su parte, suministrarán los equipos, personal y capacitación siguientes que el Gobierno - de México considere útiles y deseables.

(1) Una suma adicional de un millón, seiscientos setenta y tres mil dólares (US\$1.673.000) para gastos de mantenimiento de aeronaves, repuestos, servicios, equipos de apoyo y accesorios, de conformidad con el contrato suscrito entre el Gobierno de los Estados Unidos y la Bell Helicopter Company, a -- los fines de extender este contrato hasta el 30 de junio de 1977.

(2) Aumentar ochenta y seis mil dólares ----- (US\$86.000), de un millón setenta mil dólares (US\$1.070.000)-- a un millón ciento cincuenta y seis mil dólares (US\$1.156.000), el costo del apoyo técnico suministrado por la Spectral Data Corporation para el Programa de Erradicación de Estupefacientes de 1976-1977, según se convino en la carta del 9 de agosto de 1976.

(3) Una suma adicional de treinta y tres mil dólares (US\$33.000) para reembolsar al Gobierno de México una suma equivalente al costo de suplementos a salarios por encima de las restricciones de la actual escala de salarios de la Procuraduría General, según fué mutuamente convenido, para personal de apoyo dedicado exclusivamente al programa de detención de la producción y el tráfico ilícito de estupefacientes, según se convino en la carta del 4 de febrero de 1976 y se enmendó en la carta del 18 de mayo de 1976.

El Gobierno de México conviene en suministrar la documentación que ambos gobiernos mutuamente consideren apropiada y aceptable para verificar los desembolsos arriba mencionados cuando se efectúe una solicitud de reembolso (o una rendición de cuentas en caso de adelantos de fondos), conforme a los términos de este acuerdo.

Se entiende que las disposiciones de todos los acuerdos previos entre el Gobierno de los Estados Unidos y el Gobierno de México en torno al esfuerzo de control de estupefacientes que realiza el Gobierno de México, se mantienen plenamente en vigor y efecto y son aplicables al presente acuerdo, a menos que se modifiquen expresamente de otro modo en el presente documento.

Si lo antedicho es aceptable al Gobierno de México, esta carta y su contestación constituirán un acuerdo entre los dos gobiernos. "

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la carta transcrita.

Aprovecho la oportunidad para reiterar a usted, las seguridades de mi más alta consideración y personal estima.

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL.

LIC. PEDRO OJEDA PAULLADA.

TRANSLATION

UNITED MEXICAN STATES
Office of the
Attorney General
of the Republic

Mexico, D.F.
September 30, 1976

His Excellency
Joseph John Jova
Ambassador Extraordinary
and Plenipotentiary of
the United States of America
Mexico, D.F.

Mr. Ambassador:

This letter is in reply to yours of today's date, which
translated into Spanish reads as follows:

[For the English language text, see pp. 4307-4308.]

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 extend to you the
renewed assurances of my highest consideration and personal
esteem.

Effective suffrage. No reelection.

Pedro Ojeda Paullada

Pedro Ojeda Paullada
Attorney General

TIAS 8451

JAPAN

Social Security

*Agreement effected by exchange of notes
Dated at Tokyo September 30 and October 15, 1976;
Entered into force October 15, 1976;
Effective April 1, 1976.*

The American Ambassador to the Japanese Minister for Foreign Affairs



No. 708

The Ambassador of the United States of America presents his compliments to His Excellency the Minister for Foreign Affairs of Japan and has the honor to inform the Ministry of the following on behalf of the United States Government concerning the enrollment of the Japanese employees of the Okinawa office of the Voice of America in the Employment Insurance Scheme of Japan, which comprises the Employment Insurance Law and other related laws and regulations (hereinafter referred to as "The Scheme"):

1. The Okinawa office of the VOA intends to enroll in The Scheme as of April 1, 1976 those employees of the Okinawa office of the VOA who are nationals of Japan.
2. The VOA shall undertake, *inter alia*, the following actions in connection with those employees identified above who become enrolled in The Scheme:
 - A. Remit contributions specified by law to appropriate officials of the Ministry of Labor;
 - B. Make returns on forms and in the manner prescribed by the Ministry of Labor;
 - C. Furnish information as may be relevant to the administration of The Scheme.

3. In connection with the enrollment of the Japanese employees identified above in The Scheme, the United States Government assumes:

- A. That the Government of Japan will apply under The Scheme the Employment Insurance Law to the employees covered by this note in the same manner as it is applied to other nationals and residents of Japan;
- B. That, if the VOA should otherwise become eligible for a refund of contributions made to The Scheme, either such amounts shall be applied in reduction of future obligations for contributions by the VOA, or any amounts outstanding to the credit of the VOA shall be promptly refunded under The Scheme;
- C. That the VOA will be immune from any obligation with respect to participation in The Scheme prior to April 1, 1976.

4. Nothing in this note is to be construed as a waiver or as a modification of the sovereign immunity to be accorded to the United States Government in accordance with the general principles of international law.

Embassy of the United States of America,

Tokyo, September 30, 1976

A handwritten signature in black ink, appearing to be "John H. [illegible]" is written over the typed name "John H. [illegible]" located below the date.

The Japanese Ministry of Foreign Affairs to the American Embassy



米北 / 第 344 号

昭和 51 年 10 月 15 日

口 上 書

外務省は、在本邦アメリカ合衆国大使館に敬意を表するとともに、ヴォイス・オヴ・アメリカ沖縄中継局日本人職員の日本国の雇用保険制度加入に関する 1976 年 9 月 30 日付の同大使館口上書第 708 号を受領した旨通報する光榮を有する。

TRANSLATION

[SEAL]

Bei Hoku 1 No. 344

October 15, 1976

NOTE VERBALE

The Ministry of Foreign Affairs of Japan presents its compliments to the Embassy of the United States of America in Japan and has the honor to acknowledge receipt of its note verbale No. 708, dated September 30, 1976, concerning the enrollment of the Japanese employees of the Okinawa relay station of the Voice of America in the Employment Insurance Scheme of Japan.

COLOMBIA
Sale of Aircraft

*Agreement signed at Bogotá April 21, 1976;
Entered into force April 21, 1976.*

AGREEMENT OF SALE

This Agreement of Sale is entered into between the United States Department of the Air Force (hereafter "USAF"), as represented by Commander of USMILGP, Captain John F. Danis, USN, Commander USMILGP, Bogotá, Colombia, on behalf of the Government of United States of America (hereafter "USG"), and the Government of Colombia (hereafter "GOC"), as represented by Colonel José Rafael Gonzalez Mendez.

Whereas, the GOC has an urgent requirement for aircraft for civilian purposes to provide cargo and passenger service to the less developed regions of Colombia and provision of these aircraft would result in improved service to these areas; and whereas, this sale is authorized by Section 607 of the Foreign Assistance Act of 1961, as Amended,^[1] the United States Department of State having determined that as to the subject C-47 aircraft, that there is a need for the aircraft in the quantity requested and C-47 aircraft are suitable for the purpose requested, that the GOC and its Agencies are capable of effectively using and maintaining the aircraft and that the sale of said aircraft is consistent with and in furtherance of the purpose of the Foreign Assistance Act;

Now therefore, the Parties agree that the USAF will sell to the GOC, upon and subject to the terms and conditions and for the purpose hereinafter set forth, six C-47 aircraft.

TERMS OF SALE:

1. SUBJECT PROPERTY. The aircraft sold hereunder consists of six C-47 aircraft bearing Air Force Serial Numbers 43-15140, 43-48715, 43-48783, 43-49514, 44-76706, and 44-77276.

¹75 Stat. 441; 22 U.S.C. § 2357.

2. CONDITION OF AIRCRAFT AND PASSAGE OF TITLE. The aircraft are sold "AS IS, WHERE IS" at the Military Aircraft Storage and Disposition Center, Tucson, Arizona. The USG makes no warranties with respect to the aircraft or any of its components. Title to the aircraft shall pass to the GOC at the Military Aircraft Storage and Disposition Center, Tucson, Arizona, upon the execution of this Agreement in accordance with paragraph 8 herein.

3. DELIVERY OF AIRCRAFT. The GOC shall be responsible for movement of the aircraft and for obtaining any necessary export licenses.

4. USE OF AIRCRAFT. The GOC shall use the aircraft solely for the non-military purpose of providing cargo and passenger service to the less developed regions of Colombia. The GOC shall not transfer title to, or possession of, the aircraft or its component to any person, organization or other Government, excluding transportation agencies, contractors performing rehabilitation work or other Colombian Governmental Agencies, unless the written consent of United States Government has first been obtained.

5. CONSIDERATION. In consideration for the sale of the aircraft, the GOC shall pay to the USG the sum of \$85,780 in US dollars made payable to the Treasurer of the United States. This amount includes \$78,000 for the six C-47's, \$6,098 for pre-sale inspection performed by the USAF and \$1,682 for associated administrative expenses. Payment shall be made when this Agreement is executed by the GOC.

6. CLAIMS.

a. Once title has passed, neither the USG, the USAF, nor any of its officers, agents, or employees shall be liable for loss or damage to the subject aircraft, or other property of the GOC, or its Agencies, or for any claim for personal injury to, or death of, any of the officers, agents or employees of the GOC, or its Agencies, arising out of, or incident to, the possession or use of the subject aircraft, and the GOC shall indemnify and hold the USG, the USAF, and their officers, agents and employees, harmless from any and all such claims.

b. The GOC shall indemnify and hold the USG, the USAF, their officers, agents, and employees, harmless from all claims by or on behalf of any other persons for loss of, or damage to, property, or injury to, or death of, persons, arising out of or incident to the possession or use of the subject aircraft by the GOC or its Agencies.

7. TERMINATION. Under unusual and compelling circumstances when the best interests of the United States require it, reserves the right to cancel all or part of this offer at any time prior to the delivery of Defense Articles or performance of services. It shall be responsible for all termination costs of its suppliers resulting from cancellations under this paragraph.

8. EFFECTIVE DATE. This Agreement of Sale is executed in the English language and shall become effective from the later date

of signature below by the authorized representative of the
two Parties.

For the United States
Department of the Air Force

John F. Danis
JOHN F. DANIS
CAPT, USN
COMMANDER, USMILGP

For the Government of
Colombia

Jose Rafael Gonzalez Henao
JOSE RAFAEL GONZALEZ HENAO
COLONEL, COLOMBIAN AIR FORCE

DATE 21 April 1976

DATE 21 April 1976

CANADA

Defense: Use of Facilities at Goose Bay Airport, Newfoundland

*Agreement effected by exchange of notes
Signed at Ottawa November 10 and 24, 1976;
Entered into force November 24, 1976;
Effective October 1, 1976.*

The American Ambassador to the Canadian Secretary of State for External Affairs

NOVEMBER 10, 1976

280

SIR,

I have the honor to refer to the Agreement between the Governments of the United States and of Canada effected by an exchange of Notes dated June 29, 1973, as extended by the exchange of Notes dated June 28 and 29, 1976,^[1] concerning arrangements for the use by the United States of facilities at the Goose Bay Airport, Goose Bay, Newfoundland, and to recent discussions which have taken place between representatives of our two Governments concerning arrangements for the continuing use of facilities at the Goose Bay Airport by the United States Armed Forces after the expiration of the aforementioned Agreement on September 30, 1976. As a result of these discussions, I now have the honor to propose that the conditions set forth in the attached Annex, which accord with the understandings reached between representatives of our two Governments, should govern the use of facilities at the Goose Bay Airport by the United States Armed Forces after September 30, 1976.

If these conditions are acceptable to your Government, I propose that this Note, together with its Annex, and your reply to that effect shall constitute an Agreement between our two Governments which shall enter into force on the date of your reply, with effect from October 1, 1976, and remain in force for an initial period of ten years, and thereafter from year to year. Its terms may be reviewed at any time at the request of either party and revised by mutual agreement

¹ TIAS 7702, 8315; 24 UST 1941; *ante*, p. 2366.

of the two parties. The Agreement may be terminated at any time by either Government on giving twelve months' notice in writing to the other. It is understood that any substantial change in the level of U.S. activity at Goose Bay will be subject to prior consultation between the parties. This new Agreement shall supersede the Agreement effected by the exchange of Notes dated June 29, 1973, as extended by the exchange of Notes dated June 28 and 29, 1976.

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

Attachment
Annex

THOMAS O. ENDERS

The Honorable
DONALD C. JAMIESON, P.C.,
*Secretary of State for
External Affairs,
Ottawa.*

ANNEX

Statement of Conditions Governing the Use by the United States Armed Forces of Facilities at the Goose Bay Airport

(Hereinafter, unless the context otherwise requires, "Canada" means the Government of Canada, "U.S." means the Government of the United States of America, "USAF" means the United States Air Force, and "Goose Bay" means the Goose Bay Airport.)

1. General

In order to fulfill North American Defence and NATO obligations, the United States Armed Forces shall have the use of facilities at Goose Bay for servicing, maintenance and refueling of its aircraft.

2. Facilities

A. All buildings, structures and improvements permanently affixed to the realty at Goose Bay including those that may have been constructed or financed by the U.S. are the property of Canada. The ownership of all other property at Goose Bay purchased or financed by the U.S. including removable improvements, equipment, material, supplies and goods, shall remain with the U.S. The U.S. shall have the unrestricted right of removing or disposing of all U.S. removable property at any time, provided that removal or disposal shall not be delayed beyond a reasonable time following the termination of this Agreement. The disposition within Canada of U.S. excess property at Goose Bay shall be effected in accordance

with the exchange of Notes between the U.S. and Canada dated August 28, 1961, and September 1, 1961¹], concerning the Disposal of United States Excess Property in Canada.

B. Canada shall, subject to the provisions of the implementing arrangements concluded in accordance with paragraph 9 of this Annex, provide the USAF, free of rent, from within the existing infrastructure of Goose Bay such facilities as hangars, warehouses, office buildings, parking aprons, family quarters, barracks, shops, hardstands and storage and distribution facilities for aviation fuel and other petroleum supplies.

3. Operating Rights

Subject to the terms of this Agreement, aircraft operated by, for, or under the control of the United States Armed Forces shall have the right to use Goose Bay under air traffic control arrangements provided by Canada. There will be prior notification to appropriate Canadian airport authorities at Goose Bay of all expected arrivals.

The USAF shall have such rights as are necessary to support the operation of the aforementioned aircraft at Goose Bay, including the right:

A. of free access to and egress from the facilities made available for its use, including unrestricted and uninterrupted use of roadways, subject to any reasonable vehicle control measures that may be imposed by the appropriate Canadian authorities.

B. Under procedures to be embodied in an implementing arrangement to be concluded under paragraph 9 of this Annex, to station personnel at Goose Bay; to issue orders for their control and command; and to undertake such internal security measures as may be deemed necessary; and

C. to install and operate military equipment, including communications equipment, radar, and other electronic devices, provided that new installations of electronic equipment shall not interfere with existing Canadian installations and shall be subject to the right of Canada to allocate frequencies and control power and type of emission.

4. Base Support Services

Canada shall provide various base support services such as real property maintenance and repair, billeting and housing, utilities, air traffic control, food service, ground transportation, snow removal, fire protection, weather service, maintenance of base support equipment, medical care, base exchange and recreation facilities. The USAF shall be responsible for obtaining aviation fuels and lubricants and aircraft ground support services required for U.S. Armed Forces operations. Certain equipment and spares will be made available by the USAF for support of operations at Goose Bay as specified in imple-

¹ TIAS 4841; 12 UST 1228.

menting arrangements to be concluded in accordance with paragraph 9 of this Annex.

5. Financing

A. As a general principle, services and utilities provided by Canada to the USAF shall be provided on a cost recoverable basis in accordance with the terms and provisions contained in implementing arrangements to be concluded pursuant to paragraph 9 of this Annex.

B. Any action required to be taken under this Agreement shall be subject to the availability of appropriated funds.

6. Canadian Law

The laws of Canada shall apply throughout Goose Bay.

7. Status of Forces

A. The provisions of the North Atlantic Treaty Organization Status of Forces Agreement signed in London on June 19, 1951,¹ shall apply.

B. Notwithstanding the foregoing, if damage is caused to property owned by one Government at Goose Bay by an employee of the other Government, other than a member or an employee of the Armed Forces of that Government, under circumstances whereby the Government whose property is so damaged would waive its claims against the other Government pursuant to paragraph (1) of Article VIII of the North Atlantic Treaty Organization Status of Forces Agreement if the damage:

(a) was caused by a member or an employee of the Armed Services of the other Government; or

(b) arose from the use of any vehicle, vessel or aircraft owned by the other Government and used by its Armed Services, the Government whose property is so damaged agrees to waive all its claims against the other on account of such damage.

8. Taxes and Customs Duties

A. Canada shall grant remission of customs duties and excise taxes on goods imported into Canada, and of federal sales and excise taxes on goods purchased in Canada, which are or will become the property of the U.S. and are to be used in the establishment, maintenance or operation of facilities at Goose Bay. Canada shall also grant refunds by way of drawbacks of the customs duty paid on goods imported by Canadian manufacturers and used in the manufacture or production of goods purchased by or on behalf of the United States which are or will become the property of the U.S. in connection with the establishment, maintenance or operation of the facilities at Goose Bay.

¹ TIAS 2846; 4 UST 1792.

B. The United States will not be required to pay any tax or fee in respect of the registration or licensing of official motor vehicles for use in connection with its operations at Goose Bay.

C. Subparagraphs A and B above shall in no way limit the application of customs or fiscal exemptions or tax relief provided by the North Atlantic Treaty Organization Status of Forces Agreement or other agreements between the United States and Government of Canada.

9. Implementing Arrangements

Implementing arrangements between the USAF on behalf of the U.S. and appropriate agencies on behalf of Canada may be made from time to time for the purpose of carrying out the intent of this Agreement.

*The Canadian Secretary of State for External Affairs to the
American Ambassador*

Department of External Affairs
Canada



Ministère des Affaires étrangères

Ottawa, November 24, 1976

No. DFR-3110

Excellency,

I have the honour to refer to your Note No. 280 of November 10, 1976 concerning arrangements for the continuing use of facilities at the Goose Bay Airport by the United States Armed Forces after the expiration of the present Agreement on September 30, 1976.

I am pleased to inform you that the Government of Canada concurs in the proposals set out in your Note and agrees that your Note, together with its Annex, and this reply, which is authentic in English and French, shall constitute an Agreement between our two Governments which shall enter into force on this date with effect from October 1, 1976 and remain in force for an initial period of ten years and thereafter from year to year.

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

[1]
D. C. JAMIESON,
Secretary of State for
External Affairs.

His Excellency Thomas O. Enders,
Ambassador of the United States of America,
Ottawa.

¹D. C. Jamieson

French Text of the Canadian Note

Ottawa, le 24 novembre 1976

N° DFR-3110

Excellence,

J'ai l'honneur de faire référence à votre Note n° 280 du 10 novembre 1976 concernant les arrangements qui permettraient aux Forces armées américaines de continuer à utiliser les services de l'aéroport de Goose Bay après le 30 septembre 1976, date d'expiration du présent Accord.

Je suis heureux de vous informer que le Gouvernement du Canada souscrit aux propositions énoncées dans votre Note et accepte que celle-ci et son annexe, ainsi que la présente réponse, qui est authentique en anglais et en français, constituent, entre nos deux Gouvernements, un Accord qui entrera en vigueur à la date de la présente réponse avec effet rétroactif au 1^{er} octobre 1976, et la demeurera pour une période initiale de dix ans, après quoi il devra être renouvelé d'année en année.

Veuillez accepter, Excellence, l'assurance de ma très haute considération.

(D.E.) (Signature)

Le Secrétaire d'Etat aux
Affaires étrangères.

Son Excellence Thomas O. Enders,
Ambassadeur des Etats-Unis d'Amérique,
Ottawa.

IRAN
Economic Cooperation

*Agreed minutes signed at Tehran August 7, 1976;
Entered into force August 7, 1976.*

AGREED MINUTES
OF THE 3RD SESSION OF US-IRAN
JOINT COMMISSION FOR ECONOMIC COOPERATION

The Third Session of the United States-Iran Joint Commission for Economic Cooperation was held in Tehran on August 6 and 7, 1976.

The Iranian Delegation was led by H.E. Hushang Ansary, Minister of Economic Affairs and Finance, and the Delegation of the United States was headed by the Honorable Henry A. Kissinger, the Secretary of State.

The lists of the two Delegations are given in Annexes I and II.

The Commission discussed international economic questions and bi-lateral economic relations. It agreed that the two sides should work closely together in the solution of the problems faced by the world economy particularly in monetary, financial, trade, and development areas.

In reviewing the latest development in United States-Iran economic relations, the two Parties reiterated their determination to intensify efforts to exploit the vast potentials of the two countries in promoting economic cooperation in their mutual benefit.

The Commission examined the reports of the five standing committees and reached the following decisions and conclusions:

TRADE

The Commission expressed satisfaction at the rapid increase in the volume of trade between Iran and the United States and agreed on a target of \$26 million exclusive of oil and military items for the six years ending in 1980.

In their desire to achieve continued expansion of trade and economic cooperation between the two countries, the two Parties recognized the need for considerable expansion of Iranian industrial exports to the U.S. In this connection the U.S. Delegation expressed its readiness to cooperate with efforts to increase such exports.

The Iranian side expressed its deep concern and serious disappointment over the exclusion of Iranian exports from the United States' General System of Preferences. It emphasized that such exclusion runs counter to the aim and determinations of the two sides in facilitating and expanding trade between the two countries.

The United States side stated that while any change in GSP eligibility would require an act of Congress, the United States Executive Branch supports legislation recently introduced to provide GSP benefits covering Iran, and will continue to use its best efforts to achieve passage in the current session of Congress.

The Commission was pleased that the members of the Joint Business Council have been designated on both sides and that the Council had already organized a successful Financial Conference.

The two sides agreed that the first meeting of Joint Business Council provided a good opportunity for representatives of private sectors in both countries to familiarize themselves with business conditions at each end. Both sides further agreed that the Joint Business Council had the potential to play a valuable role in promoting trade and economic cooperation between Iran and the United States.

It was further agreed that for bid and performance guarantees, surety bonds of "U.S. Surety companies acceptable on Federal Bonds" will be considered by the Iranian Party, subject to applicable laws and regulations.

INDUSTRY

The Commission noted with satisfaction the current negotiations between the Industrial Development and Renovation Organization of Iran (IDRO) and American private concerns for the establishment of joint-ventures to produce milling machines, high voltage insulators, forged grinding balls, fractional horse-power electric motors, conveyors, resin for wood industry, industrial furnaces, and tool room machinery.

The Commission expressed satisfaction at the conclusion of contracts between Iranian and American private interests for establishment of joint-ventures to manufacture trailers and graphite electrodes.

In order to widen the scope of cooperation between the two countries in the field of electronics it was agreed that the U.S. Party would undertake to expedite decisions on applications submitted by U.S. companies for supply of technology included in contracts with Iranian enterprises and for programs of training of Iranian technical personnel in U.S. companies and institutes.

INVESTMENT

The two sides expressed their satisfaction over the developments in the two countries in the field of investment, and welcomed increased flows of capital on both sides.

The two Parties further agreed that policies and facilities relating to investments in the two countries, including promotion and reciprocal protection of investment, should be discussed at the next meeting of the Committee on Economy and Finance.

LIQUEFIED NATURAL GAS

The Iranian Party stated that following the recent discoveries of vast reserves of natural gas in Iran the proven reserves may now exceed those of any other country and that Iran has formulated extensive plans for the utilization of these resources. The American Party informed the Iranian side of recent decisions establishing the United States' policies on natural gas imports and added that these policies enable the U.S. Executive Branch to encourage and support projects for the production and delivery of natural gas to the United States on economically attractive terms. The Commission reviewed the progress of work concerning two multi-billion dollar joint-ventures in LNG involving the National Iranian Gas Company and U.S. private companies, which at this stage await the completion of economic feasibility studies.

HOUSING

The two sides reviewed the progress of cooperation in the area of housing and agreed to broaden the areas of joint activities in the following manner:

1. Establishment of plants to manufacture building components and materials, as well as prefabricated houses, and provisions of services related to the above, i.e., management training, industrial planning, personnel management, etc. Cooperation in the establishment of the above factories could take the form of joint-ventures, licensing, and provision of related technical services.
2. Participation in commercial exhibitions in Iran and the U.S.
3. Technical cooperation in urban and housing management, housing finance and the role of secondary mortgage market, exchange of technical information and documentation on building systems, and material and quality control. Part of such technical cooperation shall take the form of holding seminars and conferences, provision of experts and consultants and training.

TRANSPORTATION

The Commission expressed satisfaction at the cooperation of the two countries in highway construction and agreed that the respective agencies of the two sides would take necessary administrative measures to facilitate and expand such cooperation.

The Iranian side stated that it would welcome investment by American firms in the construction of toll highways in Iran amounting to about 1200 kilometers. The U.S. side noted this with interest and stated it would bring this matter to the attention of U.S. construction and financial firms.

The American side expressed interest to participate in the establishment of computerized truck terminals and integrated transport system (truck rail-road) as well as road safety and tunnel ventilation and lighting program in Iran. This was welcomed by the Iranian side and it was agreed that an Iranian team shall visit the United States in order to discuss the details of these matters with American firms.

The Commission noted that 14 port officials are scheduled to participate in a training program sponsored by the U.S. Coast Guard. An extensive training program for port personnel and marine operators is being formulated, and this training program will be a possible area for U.S. technical cooperation.

The Iranian Party stated it will welcome the participation of American firms in its tenders for port development and railway construction programs.

The two sides welcomed cooperation between the Iranian Civil Aviation Organization and the United States Federal Aviation Administration.

ENERGY

The Commission noted with satisfaction that cooperation in the field of nuclear energy between Iran and the United States had increased significantly both in scope and intensity. In particular, a number of new activities had entered the final phase of negotiation and implementation.

Particular note was taken by the Commission of cooperation in areas of evaluation of sites for the establishment of nuclear power plants in Iran, exploration in Iran for uranium resources, training of Iranian engineers and scientists, and fabrication of slightly enriched uranium fuel for nuclear energy reactors. It further noted that cooperation in these specific areas would approximate 230 million dollars.

The Commission reaffirmed the strong mutual interest of both countries in concluding an agreement which would enable both sides to cooperate in the largescale application of nuclear energy to the generation of electric power and desalination in Iran. The two sides recognized the great importance attached by both countries to the avoidance of further proliferation of nuclear weapons and expressed their determination to continue their efforts toward this objective. The Commission decided that the two countries should continue consultation concerning their efforts in this direction so as to further ensure the effectiveness of their non-proliferation objectives.

The Commission noted that substantial progress had been made since the previous Commission meeting in defining the principles of a new cooperation agreement in nuclear power, and agreed that a realistic basis for proceeding with detailed negotiations now existed.

It, therefore, decided that these negotiations should be pursued between the respective authorities of the two countries with a view to reaching an early agreement.

The Commission decided that the two countries will undertake a program of cooperation in solar energy research and utilization. The U.S. Energy Research and Development Administration will submit to the Government of Iran within one month information on its research and development program in the solar energy field and on organizations and institutes dealing with solar energy in the United States. Following consideration of the information, a team of Iranian experts will visit the relevant organizations and institutes in the United States. Subsequently, an American team will visit Iran. Thereafter, the experts of the two countries will meet to formulate a program of cooperation in this field.

The Commission discussed the interest of both sides in the development of alternative energy sources and decided that the Committee on Nuclear Energy be renamed as the "Committee on Energy Research and Development" to serve as a focal point for the promotion of U.S.-Iran cooperation in alternative energy research, development and application.

AGRICULTURE

The Commission reviewed cooperation of the two countries in the field of agriculture and made the following observations and decisions:

1. The Iranian Party suggested Jiroft, Minab or Khuzestan as a region for agricultural development and establishment of an agri-business unit in cooperation with the U.S. It was agreed that the American side would send a three-man team in October for three weeks to study the possibilities of cooperation in this area, using as a basis the terms of reference submitted by the Iranian side.
2. The Commission noted a decision reached at the 2nd Session of the Joint Commission for cooperation between the two countries in the production in Iran of agricultural machinery, fertilizers, and pesticides for regional distribution. It was agreed that the Joint Business Council would be asked to take a more active role in promoting agri-business in Iran, making possible greater involvement of the private sector in these activities. In this connection the Iranian side designated the Agricultural Development Bank and the Industrial and Mining Development Bank of Iran, and the U.S. Party designated a committee of representatives from U.S. Department of Agriculture, Department of Commerce, and the Overseas Private Investment Corporation. The Iranian side agreed to provide a list of the projects in which they are interested in having the U.S. private sector participation. The Commission agreed that OPIC should play a more active role in this regard.

3. Both Parties agreed to establish a working group which would meet at least annually to discuss crop production forecasts in both countries and in the world. The working group would include representatives of the Ministry of Agriculture and Natural Resources, and the Ministry of Commerce of Iran, and the U.S. Department of Agriculture. The first meeting of the working group will be scheduled for May 1, 1977.
4. Noting the decisions of the Commission at its last session concerning cooperation in the establishment of an agricultural complex in an arid region of Iran, [¹] the Iranian side suggested the development of a dry farming and range management complex in either the Gorgan or Khorasan area. The American side agreed to study this matter and convey its view as soon as possible.
5. The U.S. side declared its readiness to continue its cooperation with Iran in the operation of Iran's agricultural research information center.
6. Both sides expressed willingness to continue contacts in the veterinary and plant pest control fields and to exchange detailed and specific information in order to identify the areas of cooperation. A specific list of proposals for this purpose was prepared by the Iranian Party and presented to the American side.

¹ TIAS 8042; 26 UST 433.

7. The Iranian side explained its current programs in data gathering and processing facilities using satellite technology, and indicated its contacts with NASA and other specialized agencies of the United States. Both Parties expressed satisfaction at the progress of cooperation in this respect and agreed to continue such cooperation in the future.
8. The two sides agreed to cooperate in making arrangements for the training of a larger number of Iranians in the United States in forestry, watershed, range management and other areas, as well as in utilizing the services of American professors and specialists in Iran. The U.S. side stated that the whole cost structure for such services would be studied with a view to submitting new estimates.
9. The Iranian side explained its requirements for training large numbers of its personnel in different fields of agriculture. Areas of training have been specified by the Iranian side and the respective list submitted to the United States. The U.S. Department of Agriculture will take immediate action in this connection after consulting with the Iranian team which will visit the United States in September, and will work out details of the respective training programs.

SCIENCE, TECHNOLOGY AND EDUCATION

The Commission noted with satisfaction the progress made in cooperation between the two sides in science, technology and education, and particularly, in the fields of education, remote sensing and geology.

The Commission agreed that cooperation in the fields of science, technology, and education be enlarged to cover environment, health care education, bio-medical research, and arid land sciences.

Remote Sensing:

The Commission noted that the Plan and Budget Organization of Iran has been designated as the coordinating body for inter-governmental cooperation in utilization of remote sensing data. It was also observed that detailed proposals concerning cooperation in this field had been submitted to the U.S. side, which would respond to these proposals after further consideration.

Geological and Mineral Survey,
and Seismic Studies:

The Commission reaffirmed the decisions it had reached at its last session concerning cooperation in the fields of geological and mineral surveys and of seismic studies. It noted with satisfaction that the framework of an appropriate program for cooperation and further training in these fields over the next 18 months including cooperation in earthquake prediction programs had been developed and agreed upon by the two sides.

Oceanography:

The Commission noted that a team of Iranian oceanographers will visit the United States in the immediate future to evaluate the potential for fruitful collaboration, including the establishment of a marine data center in Iran. The Commission decided that the Iranian National Committee on Oceanography and the United States National Oceanic and Atmospheric Administration be designated as the principal agencies for exchange of information and materials.

Education:

The United States Party expressed its gratitude for the generosity of Her Imperial Majesty's Committee for the American Bicentennial, in establishing an American Studies Endowment Fund, capitalized at one million dollars to support the development of American studies programs in Iran, and the Government of Iran's creation of a \$100,000 Bicentennial scholarship fund for American scholars wishing to pursue programs of Iranian studies in Iran.

It also expressed appreciation for the action of the Government of Iran in undertaking to share with the Government of the United States the costs of the Fulbright exchange program.

The Commission observed with satisfaction that a team of four American educators had recently completed a survey of linkages between Iranian and American universities, and their report, with recommendations as to ways of improving these relationships, is expected shortly.

The Commission agreed that a study be made of counseling, orientation and language training services available in Iran to students planning to go to the United States, with a view to determining the need for improving these services.

It was also agreed that an Iranian team shall visit the United States to study science education. The Iranian side stated that it would inform the U.S. Party of the interest of Iranian educational institutions in joint projects in educational technology and in improved exchanges of information about such technology.

Environment:

Recognizing the importance of pollution and environment in general, the Commission agreed that the two sides should cooperate in this field, assigning priority to the problems of air pollution in Tehran and carrying out environmental impact studies on a broad scale. The Commission took note of the forthcoming visit of an American team of Environmental Protection Agency experts to Tehran during August 1976.

The Commission agreed that close cooperation between institutions in Iran and the United States in all the above fields and exchange of information and sharing of experiences between them should be encouraged by both sides.

It further agreed that the two sides may cooperate in the establishment and the expansion of research centers in Iran.

HEALTH

The Commission agreed that the Ministry of Health and Welfare of Iran and the U.S. Department of Health, Education and Welfare shall cooperate in the following areas:

- Food and drug administration, and, in particular, development of specific techniques in laboratory procedures for drug and food control, exchange of know-how and experts, according priority to training of qualified Iranian technicians, assignment of American experts to cooperate in setting up a Department of Food and Drug Administration in Iran and establishment of a laboratory.
- Control of drug addiction, and rehabilitation of addicts, particularly exchange of information between the relevant agencies of the two countries.

MANPOWER AND TECHNICAL COOPERATION

The Commission reviewed cooperation in the field of manpower and technical cooperation, and noted with satisfaction the progress achieved toward the establishment of mobile training centers and employment service offices in Iran, and in the study of U.S. training techniques by the Iranian officials. The Commission further observed that the Ministry of Labor and Social Affairs of Iran plans to acquire 40 more mobile training/employment service units for use in

non-urban areas, and that visits are contemplated by the Iranian experts to the U.S. to study, inter-alia, U.S. techniques in employment services, unemployment insurance administration, on-the-job training, and audio-visual devices.

The Commission agreed that exchange of information and experts between the Center for Research and Training for Occupational Health and Safety in Iran and the Department of Labor's Occupational Safety and Health Administration and similar agencies in the U.S. shall be encouraged. As a first step, Iran will provide a detailed description of the Center in Iran.

The Commission agreed that the two sides shall cooperate in establishing a center for the Development of Vocational Training Curricula in Iran.

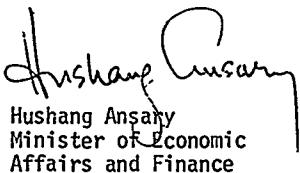
The Commission noted that a team of Iranian officials from the Ministry of Labor and Social Affairs will visit the United States with a view to developing a program for measuring and raising labor productivity levels in Iran.

NEXT SESSION

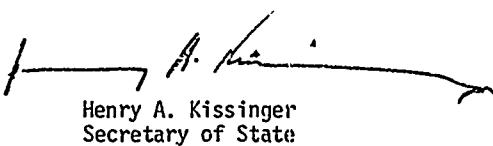
It was agreed to hold the Fourth Session of the Joint Commission in Washington in 1977 on a date to be agreed upon in due course.

DONE in Tehran on the 7th of August 1976, in duplicate
copies in English, both being equally authentic.

Leader of the
Iranian Delegation


Hushang Ansary
Minister of Economic
Affairs and Finance

Leader of the
United States Delegation


Henry A. Kissinger
Secretary of State

ANNEX IIRANIAN DELEGATION

- H.E. Hushang Ansary,
Minister of Economic Affairs and Finance
- H.E. Akbar Etemad
Assistant to the Prime Minister and the
Head of Atomic Energy Organization
- H.E. Jalil Shoraka
Senior Deputy Minister, Ministry of
Economic Affairs and Finance
- H.E. Jaafar Nadim
Vice-Minister for Economic and International
Affairs, Ministry of Foreign Affairs
- H.E. Javad Vafa
Vice-Minister for International Affairs,
Ministry of Economic Affairs and Finance
- H.E. Mohammad Hadi Ghavamian
Vice-Minister for Agro-business, Ministry
of Agriculture and Natural Resources
- H.E. Ali Mousavi Nasl
Vice-Minister for Research and Projects,
Ministry of Roads and Transportation
- H.E. Bahman Parsa
Vice-Minister of Scientific Research,
Ministry of Science and Higher Education
- H.E. Fereydoun Nasseri
Vice-Minister for Manpower, Ministry of
Labor and Social Affairs
- H.E. Parviz Hekmat
Deputy-Manager for Technical Affairs,
Plan and Budget Organization
- Vice-Admiral Abolfath Ardalan
Managing Director, Iran Electronic Industry
- Mr. Massoud Mousavi
Director General for Economic Cooperation,
Ministry of Economic Affairs and Finance
- Mr. Morteza Kavoosi
Director, Department of American Affairs,
Ministry of Economic Affairs and Finance

ANNEX IIAMERICAN DELEGATION

The Honorable Henry A. Kissinger
Secretary of State

The Honorable Richard Helms
Ambassador of the United States of
America to Iran

The Honorable Edward O. Vetter
Under Secretary
United States Department of Commerce

Co-Chairman, Economy and Finance Committee

The Honorable William D. Rogers
Under Secretary of State for Economic Affairs

The Honorable Joel Segall
Deputy Under Secretary of Labor for
International Affairs
United States Department of Labor

Co-Chairman, Manpower and Technical Cooperation
Committee

The Honorable Alfred L. Atherton, Jr.
Assistant, Secretary of State for Near
Eastern and South Eastern Affairs

The Honorable Robert H. Binder
Assistant Secretary
United States Department of Transportation

The Honorable Nelson Sievering
Assistant Administrator
Energy Research and Development Administration
Co-Chairman, Nuclear Energy Committee

The Honorable Quentin M. West
Administrator
Economic Research Service
United States Department of Agriculture

Dr. Oswald H. Ganley
Acting Deputy Assistant Secretary of State for
Oceans and International Environmental and Scientific
Affairs

Co-Chairman, Science, Technology and Education
Committee

The Honorable Jack C. Miklos
Minister-Counselor
Embassy of the United States of America

Mr. Rutherford M. Poats
Senior Advisor for Economic Affairs
Department of State

Mr. Charles W. Naas
Director, Iranian Affairs
Department of State

REPUBLIC OF KOREA

Scientific and Technical Cooperation

*Agreement signed at Seoul November 22, 1976;
Entered into force November 22, 1976.*

AGREEMENT RELATING TO SCIENTIFIC AND TECHNICAL COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF KOREA

The Government of the United States of America and the Government of the Republic of Korea,

Recognizing that scientific and technical cooperation will advance the state of science and technology and strengthen the bonds of friendship between the two countries,

Have agreed as follows:

ARTICLE 1

1. The two Parties shall promote cooperation between the two countries in science and technology for peaceful purposes.

2. The principal object of this cooperation is to provide additional opportunities to exchange ideas, information, skills and techniques, and to collaborate on problems of mutual interest.

ARTICLE 2

The cooperation contemplated in this Agreement may include exchanges of scientific and technical information, exchanges of scientists and technical experts, the convening of joint seminars and meetings, the conduct of joint research projects in the fields of basic and applied sciences, and other forms of scientific and technical cooperation as may be mutually agreed.

ARTICLE 3

Pursuant to the aims of this Agreement, the two Parties will encourage and facilitate, where appropriate, the development of direct contacts and cooperation between governmental agencies, universities, research centers, and other institutions and firms of the two countries and the conclusion of implementing arrangements

between them for the conduct of cooperative activities under this Agreement.

ARTICLE 4

Scientists, technical experts, governmental agencies and institutions of third countries or international organizations may be, in appropriate cases, invited by the two Parties to participate, at their own expense unless otherwise agreed, in projects and programs being carried out under this Agreement.

ARTICLE 5

Unless otherwise provided for in an implementing arrangement, each Party or participating agency, organization or enterprise shall bear the cost of its participation and that of its personnel engaged in cooperative activities under this Agreement.

ARTICLE 6

Cooperative activities shall be undertaken in accordance with applicable laws in both countries and subject to the availability of funds.

ARTICLE 7

Representatives of the two Parties shall meet when necessary in order to discuss and further the implementation of this Agreement and to exchange information on the progress of programs, projects, and activities of common interest. Groups of experts may be designated to discuss special questions.

ARTICLE 8

Each Party shall use its best efforts to facilitate entry to and exit from its territory of personnel and equipment of the other country, engaged on or used in projects and programs under this Agreement.

ARTICLE 9

1. Scientific and technical information of a nonproprietary nature derived from the cooperative activities conducted under this Agreement shall be made available, unless it is agreed otherwise under specific circumstances, to the world scientific community through customary channels and in accordance with the normal procedures of the participating agencies.

2. The disposition of patents, designs and other industrial property arising from the cooperative activities under this Agreement will be provided for in the implementing arrangements referred to in Article 3.

ARTICLE 10

Nothing in this Agreement shall be construed to prejudice other arrangements for scientific and technical cooperation between the two Parties.

ARTICLE 11

1. This Agreement shall enter into force upon signature and shall remain in force for five years. It may be modified or extended by mutual agreement of the Parties.

2. The termination of this Agreement shall not affect the validity or duration of any arrangements made under it.

DONE at Seoul, Korea this twenty-second day of November 1976,
in duplicate, in the English and Korean languages, both being equally
authentic.

FOR THE GOVERNMENT OF
THE UNITED STATES
OF AMERICA

RICHARD L SNEIDER
[SEAL]

FOR THE GOVERNMENT OF
THE REPUBLIC OF KOREA

T JIM PARK
[SEAL]

비한중국 정부와 대한민국 정부 간의

과학 및 기술 협력에 관한 협정

미합중국 정부와 대한민국 정부는,

과학 및 기술협력을 과학과 기술의 상호발전을 향상시키고 또한 양국간의 우호의 유대를 강화함을 인정하여,

다음과 같이 합의하였다.

제 1 조

1. 양 당사국은 협회적 목적을 위하여 과학과 기술에 있어서 양국간의 협력을 증진한다.

2. 그 어떠한 협력의 주요목적은 아이디어·정보·기능·및·기술을 교환하고 또한 상호 이익이 되는 문제에 관하여 협력하기 위한 보다 많은 기회를 제공함에 있다.

제 2 조

이 협정에서 의도하는 협력에는 과학 및 기술정보의 교환·과학자 및 기술전문가의 교류·합동 쇼세미나 및 회합의 개최·기술 및 응용과학 분야에서의 공동연구 사업의 수행과 상호 학의하게 되는 기타 협력의 과학 및 기술협력이 포함된다.

제 3 조

이 협정의 목적에 따라, 양 당사국은 적당한 경우에 정부 기관·대학과 연구소 및 양국의 기타 기관과 상사간의 직업 교육 및 협력의 발전과 또한 이 협정에 따른 협력활동의 수행을 위한 그룹간의 시행 약정의 체결을 위하여 촉진한다.

제 4 조

제 3국의 과학자·기술전문가·정부 기관 및 연구기관 또는 국제기구는, 단독 합의되지 아니하는 한, 자신의 비용으로 적절한 경우에 이 협정에 따라 수행되는 사업과 계획에 참가하도록 양 당사국에 의하여 요청될 수 있다.

제 5 조

시행 약정에 별도로 규정되지 아니하는 한, 각 당사국·참가기관·기구 또는 기업은 그 참가비용 및 이 협정에 따른 협력활동에 종사하는자의 경비를 부담한다.

제 6 조

협력활동은 양국의 적용법규에 따라 허하여지며 도반 자금의 가능성이 빠른다.

제 7 조

양 당사국의 대표는, 이 협정의 시행을 위하여 촉진하며 그간 공동
이익이 되는 기획·사업 및 활동의 진척에 관한 정보를 교환하기 위하여, 필요한
경우 회합한다. 특수 문제를 위하여 위원회를 임명할 수 있다.

제 8 조

각 당사국은 이 협정에 따른 사업 및 계획에 종사하거나 또는 그에
사용되고 있는 아방당사국의 임원 및 장비의 그 출입국을 용이하게 하기 위한
최선의 노력을 경주한다.

제 9 조

1. 이 협정에 따라 수행된 협력활동으로부터 얻어지는 비록 청탁 성질의
과학 및 기술정보는, 특수한 사정하에서 달리 합의되지 아니하는 한, 참가기관의
관련적인 경로를 통하고 또한 경상적인 전자에 따라 세계의 과학계에 제공된다.

2. 이 협정에 따른 협력활동으로부터 얻어지는 특허권·의장 및 기타
공업소유권의 처리에 관해서는 제 3조에 언급된 실시약정에 규정된다.

제 10 조

이 협정의 예하한 규정도 양 당사국간의 과학 및 기술협력을 위한 다른
약정을 거래하는 것으로 해석되지 아니한다.

제 11 호

1. 이 협정은 서명시에 발효하여 5년간 유효하다. 이 협정은 당사국간의 상호합의에 의하여 수정되거나 또는 연장될 수 있다.
2. 이 협정의 종료는 이 협정에 따른 양국의 노력 또는 기간에 영향을 주지 아니한다.

1976년 월 일
원본 2부를 작성하였다.

에서 등등의 정부인 영어와 한국어로

미합중국 정부를 위하여

대한민국 정부를 위하여

FEDERAL REPUBLIC OF GERMANY

Cooperation in Biomedical Research and Technology

*Agreement signed at Bonn September 22, 1976;
Entered into force September 22, 1976.*

AGREEMENT

BETWEEN THE DEPARTMENT OF HEALTH, EDUCATION,
AND WELFARE OF THE UNITED STATES OF AMERICA
AND THE FEDERAL MINISTER FOR RESEARCH AND
TECHNOLOGY OF THE FEDERAL REPUBLIC OF GERMANY
ON COOPERATION IN THE FIELD OF BIOMEDICAL
RESEARCH AND TECHNOLOGY

The Department of Health, Education, and Welfare of the United States of America and the Federal Minister for Research and Technology of the Federal Republic of Germany;

Realizing the importance which biomedical research and technology can have for the health of mankind, not only in their two countries, but throughout the world;

Recognizing the desirability of working together to resolve common health problems through joint research;

Desiring to encourage collaborative efforts between scientists in both countries;

Desiring to strengthen the already existing links between the scientific communities in both countries;

Have agreed as follows:

ARTICLE 1

The Department of Health, Education and Welfare of the United States of America (DHEW) and the Federal Minister for Research and Technology of the Federal Republic of Germany (BMFT) - hereinafter referred to as the parties - shall enhance and extend cooperation in biomedical research and technology in such fields as, but not limited exclusively to, cancer and heart disease. Activities initiated under this agreement shall be conducted on a basis of equality, reciprocity and mutual benefit.

ARTICLE 2

Cooperation may be implemented specifically in any of the following ways:

Coordinated scientific research programs and other activities in fields of mutual interest.

Exchange of specialists and delegations.

Organization of scientific conferences and lectures.

Exchange of information.

Other forms of cooperation may be agreed upon by the parties.

ARTICLE 3

The parties delegate the responsibility for the implementation of this agreement to the Assistant Secretary for Health in the DHEW on the United States side, and to the Secretary of State in the BMFT on the German side. These officials shall be responsible for promoting an informal detailed analysis of those areas in which collaborative activities between the Federal Republic of Germany and the United States of America can be developed. They shall appoint a coordinator for each party. The coordinators shall ensure the implementation and coordination of all aspects of this agreement. They shall make recommendations for the further development of cooperation and shall meet when necessary in general once a year through the duration of the agreement.

ARTICLE 4

Subject to the availability of funds and the laws and regulations in the two countries, activities under this agreement shall be conducted and financed by mutually agreed arrangements with respect to each project. Each side shall bear the costs of its participation in the projects under this agreement unless otherwise agreed upon.

ARTICLE 5

The cooperation provided for in this agreement shall not affect existing collaborative efforts presently underway between scientific bodies in the United States of America and the Federal Republic of Germany. Rather, the cooperation shall seek to identify new areas for joint activities and to enhance the existing efforts to avoid duplication and to make the results more widely beneficial - not only to the parties, but to other countries.

ARTICLE 6

The parties shall encourage and facilitate the establishment of direct contacts between the numerous biomedical research institutions and organizations in the United States of America and the Federal Republic of Germany which are not under the direct jurisdiction of the implementing bodies.

ARTICLE 7

The parties shall continue to give their support to international medical organizations, such as the World Health Organization, and shall make available to these organizations the knowledge acquired as a result of their cooperation.

ARTICLE 8

The cooperating institutions and organizations shall consult on all practical questions arising under this agreement, in particular those relating to liability and to the utilization of the results obtained during cooperation, seeking to reach mutual agreement.

ARTICLE 9

This agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the United States of America within three months from the date of entry into force of this agreement.

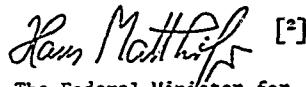
ARTICLE 10

This agreement shall enter into force upon signature and shall remain in force for five years, and may be extended for successive five-year periods upon agreement to that effect between the parties.

Done in Bonn on this the 22nd day of September 1976,
in duplicate in the English and German languages, both texts being
equally authentic.

^[1]

For the Department of Health,
Education, and Welfare of the
United States of America.

^[2]

The Federal Minister for
Research and Technology of
the Federal Republic of
Germany.

¹Theodore Cooper

²Hans Mattheoer

VEREINBARUNG ZWISCHEN DEM BUNDESMINISTER FÜR
FORSCHUNG UND TECHNOLOGIE DER BUNDESRE-
PUBLIK DEUTSCHLAND UND DEM MINISTERIUM FÜR
GESUNDHEIT, ERZIEHUNG UND SOZIALFÜRSORGE DER
VEREINIGTEN STAATEN VON AMERIKA ÜBER
ZU-
SAMMENARBEIT AUF DEM GEBIET DER BIOMEDIZINI-
SCHEN FORSCHUNG UND TECHNOLOGIE

Der Bundesminister für Forschung und Technologie der Bundesrepublik Deutschland und das Ministerium für Gesundheit, Erziehung und Sozialfürsorge der Vereinigten Staaten von Amerika

im Bewußtsein der Bedeutung, die die biomedizinische Forschung und Technologie für die menschliche Gesundheit nicht nur in ihren beider Ländern, sondern in der ganzen Welt haben kann, in der Erkenntnis, daß eine Zusammenarbeit zur Lösung gemeinsamer Gesundheitsprobleme durch gemeinschaftliche Forschung wünschenswert ist,

in dem Wunsch, die Bestrebungen zur Zusammenarbeit zwischen Wissenschaftlern beider Länder zu fördern,

in dem Wunsch, die bereits bestehenden Verbindungen zwischen den wissenschaftlichen Einrichtungen beider Länder zu stärken, sind wie folgt übereingekommen:

ARTIKEL 1

Der Bundesminister für Forschung und Technologie der Bundesrepublik Deutschland (BMFT) und das Ministerium für Gesundheit, Erziehung und Sozialfürsorge der Vereinigten Staaten von Amerika (DHEW)—im folgenden als die Vertragsparteien bezeichnet—werden ihre Zusammenarbeit in der biomedizinischen Forschung und Technologie, insbesondere auf dem Gebiet der Krebsforschung und der Erforschung der Herzkrankheiten, verstärken und ausbauen. Die aufgrund dieser Vereinbarung eingeleiteten Aktivitäten werden nach dem Grundsatz der Gleichberechtigung, der Gegenseitigkeit und des beiderseitigen Nutzens durchgeführt.

ARTIKEL 2

Die Zusammenarbeit kann im einzelnen in folgender Form verwirklicht werden:

- Aufeinander abgestimmte wissenschaftliche Forschungsprogramme und andere Aktivitäten auf Gebieten von beiderseitigem Interesse,
- Austausch von Experten und Delegationen,
- Veranstaltung wissenschaftlicher Tagungen und Vorträge,
- Austausch von Informationen.

Weitere Formen der Zusammenarbeit können von den Vertragsparteien vereinbart werden.

ARTIKEL 3

Die Vertragsparteien übertragen die Zuständigkeit für die Durchführung dieser Vereinbarung dem Staatssekretär im BMFT auf der deutschen Seite und dem Assistant Secretary for Health im DHEW auf der amerikanischen Seite. Diese sind dafür verantwortlich, daß eine umfassende—jedoch an keine besondere Form gebundene—Bestandsaufnahme derjenigen Gebiete durchgeführt wird, auf denen gemeinsame Aktivitäten der Bundesrepublik Deutschland und der Vereinigten Staaten von Amerika entwickelt werden können. Sie ernennen für jede Vertragspartei einen Koordinator.

Die Koordinatoren sorgen für die Durchführung und Koordinierung aller Aspekte dieser Vereinbarung. Sie geben Empfehlungen für die Fortentwicklung der Zusammenarbeit. Sie treffen sich während der Geltungsdauer der Vereinbarung nach Bedarf in der Regel einmal im Jahr.

ARTIKEL 4

Im Rahmen der verfügbaren Mittel und der rechtlichen Erfordernisse in beiden Ländern werden die Aktivitäten aufgrund dieser Vereinbarung nach gegenseitiger Absprache für jedes Projekt durchgeführt und finanziert. Sofern nichts anderes vereinbart wird, trägt jede Seite die Kosten ihrer Beteiligung an den Vorhaben aufgrund dieser Vereinbarung.

ARTIKEL 5

Die bereits bestehende Zusammenarbeit zwischen wissenschaftlichen Institutionen in der Bundesrepublik Deutschland und den Vereinigten Staaten von Amerika wird von der Zusammenarbeit aufgrund dieser Vereinbarung nicht beeinträchtigt. Vielmehr sollen im Rahmen dieser Zusammenarbeit neue Bereiche für gemeinsame Aktivitäten gefunden und die laufenden Bemühungen verstärkt werden, um dadurch Doppelarbeit zu vermeiden und die Forschungsergebnisse einer größeren Zahl von Nutznießern—nicht nur zum Nutzen der Vertragsparteien selbst, sondern auch zum Nutzen anderer Länder—zukommen zu lassen.

ARTIKEL 6

Die Vertragsparteien werden die Herstellung direkter Kontakte zwischen den zahlreichen biomedizinischen Forschungseinrichtungen und—Organisationen in der Bundesrepublik Deutschland und den Vereinigten Staaten von Amerika fördern und erleichtern, die den durchführenden Stellen nicht unmittelbar unterstehen.

ARTIKEL 7

Die Vertragsparteien werden internationale medizinische Organisationen wie die Weltgesundheitsorganisation weiterhin unterstützen und werden ihnen die in der Zusammenarbeit gewonnenen Erkenntnisse zugänglich machen.

ARTIKEL 8

Die unmittelbaren Partner der Zusammenarbeit beraten über alle im Zusammenhang mit dieser Vereinbarung auftretenden praktischen Fragen mit dem Ziel, Einvernehmen untereinander zu erreichen. Dies gilt besonders für Fragen der Haftung und der Verwertung von Ergebnissen der Zusammenarbeit.

ARTIKEL 9

Diese Vereinbarung gilt auch für das Land Berlin, sofern nicht die Regierung der Bundesrepublik Deutschland gegenüber der Regierung der Vereinigten Staaten von Amerika innerhalb von drei Monaten nach Inkrafttreten der Vereinbarung eine gegenteilige Erklärung abgibt.

ARTIKEL 10

Diese Vereinbarung tritt mit ihrer Unterzeichnung in Kraft und gilt für fünf Jahre; danach kann sie für jeweils weitere fünf Jahre von den Vertragsparteien verlängert werden.

am 22 September 1976

GESCHEHEN zu Bonn in zwei Urschriften, jede in deutscher und englischer Sprache, wobei jeder Wortlaut gleichermaßen verbindlich ist.

DER BUNDESMINISTER FÜR
FORSCHUNG UND
TECHNOLOGIE DER
BUNDESREPUBLIK
DEUTSCHLAND

HANS MATTHOEFER

FÜR DAS MINISTERIUM FÜR
GESUNDHEIT, ERZIEHUNG
UND SOZIALFÜRSORGE DER
VEREINIGTEN STAATEN VON
AMERIKA

THEODORE COOPER

WORLD HEALTH ORGANIZATION

Smallpox Eradication

*Agreement signed April 26, 1976;
Entered into force April 26, 1976.
And amending agreement
Signed at Geneva August 6, 1976;
Entered into force August 6, 1976.*

GRANT
BY THE
UNITED STATES OF AMERICA
TO
THE WORLD HEALTH ORGANIZATION

This Grant Agreement is made and entered into on the 26th day of April, 1976, by the United States of America, acting through the Agency for International Development (hereinafter referred to as "A.I.D."), and the World Health Organization (hereinafter referred to as "WHO" or the "Grantee").

WHEREAS, the WHO worldwide smallpox eradication program is entering its final phase;

WHEREAS, the program has residually eliminated smallpox throughout the world except for some areas of Ethiopia;

WHEREAS, the smallpox eradication program in Ethiopia (hereinafter the "Program") has achieved sufficient success since 1971 to permit planning to eradicate smallpox in Ethiopia by 1977;

WHEREAS, WHO has called for international support for the final phase of the worldwide eradication and surveillance program, and in particular has requested support from the United States for the Program in Ethiopia;

WHEREAS, the elimination of smallpox will benefit other countries in Africa which must maintain vaccination and surveillance programs as long as the disease continues in Ethiopia;

WHEREAS, A.I.D. has agreed to provide to WHO funds to be used to assist the Program;

Now therefore, in order to assist WHO to meet the cost of the Program, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended [¹] (the "Act"), hereby makes a Grant to WHO for the purposes and under the terms and conditions of this Agreement.

ARTICLE I

The Grant

SECTION 1.01 Purpose of the Grant. The purpose of this Grant is to provide funds to assist the WHO in financing the cost of goods and services required for the WHO Smallpox Eradication Program in Ethiopia.

SECTION 1.02. Amount of Grant. A.I.D. intends to provide a total of \$2 million for the purposes set forth in Section 1.01. The amount of the Grant provided herewith is \$800,000. Subject to the availability of funds, A.I.D. will

¹75 Stat. 424; 22 U.S.C. § 2151 note.

make an additional grant in the amount of \$1,200,000 to further assist in carrying out the Program.

ARTICLE II

Condition Precedent to Disbursement

SECTION 2.01. First Disbursement. Prior to the first disbursement, or to the issuance of the first Letter of Commitment, under the Grant, WHO 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) Evidence of the source and availability of the funds, in addition to this Grant, required for the Program.

(b) A statement of the names of the persons holding or acting in the office of the Grantee specified in Section 5.13, and a specimen signature of each person specified in such statement.

SECTION 2.02. Notification. When A.I.D. has determined that the conditions precedent specified in Section 2.01 have been met, A.I.D. will promptly satisfy the Grantee.

SECTION 2.03. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 2.01 have not been met within ninety 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 Grantee.

ARTICLE III

Disbursements .

SECTION 3.01. The Advance. Pursuant to the procedures outlined in the Attachment hereto, entitled "Disbursement of Funds", A.I.D. shall open in a United States Federal Reserve a letter of credit in the amount of \$800,000 in favor of the Grantee. The procedure governing the establishment of the letter of credit and the drawdown of funds made available under the letter of credit is outlined in the Attachment, which is made a part of this Grant Agreement.

SECTION 3.02. Other Forms of Disbursement. A.I.D. may also make disbursements upon such other terms and conditions as may be mutually agreed upon in writing by A.I.D. and the Grantee.

SECTION 3.03. Interest on Grant Funds. Any interest or other earnings on Grant funds disbursed by A.I.D. to the Grantee under this Agreement prior to the authorized use of such funds for the Program will be returned to A.I.D. in dollars by the Grantee.

SECTION 3.04. Terminal Disbursement Date. No portion of the funds granted by A.I.D. under this Agreement shall be disbursed after three (3) years from the effective date of this Agreement, unless such date is extended by A.I.D. in writing, and any funds granted hereunder by A.I.D. which remain undisbursed on that date shall revert to A.I.D.

ARTICLE IV

PROCUREMENT

SECTION 4.01. Source and Origin. Except as otherwise agreed by A.I.D. in writing, goods and services required for the Program and procured under this Grant shall have their source and origin in Ethiopia or in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts are entered into for such goods and services.

SECTION 4.02. Special Rules. (a) Any financing by A.I.D. of motor vehicles hereunder will be subject to Section 636(i) of the Act; and (b) any financing of drug and pharmaceutical products hereunder will be subject to Section 606(c) of the Act.

SECTION 4.03. Utilization of Goods and Services. Except as A.I.D. may otherwise agree in writing, any goods and services furnished pursuant to this Grant shall be devoted to the Program and thereafter shall be used so as to further the objectives of the Program. If at any time A.I.D. concludes that goods or services procured under this Grant are not procured or used in accordance with the terms of this Agreement, A.I.D. after consultation with the Grantee, may cease further disbursements other than those required for the liquidation of outstanding legally binding commitments entered into under this Agreement except as A.I.D. may otherwise agree in writing.

ARTICLE V

SPECIAL COVENANTSSECTION 5.01. Additional Resources for the Program.

The Grantee agrees to provide or cause to be provided for the Program all funds, in addition to the Grant, and all other resources required to carry out the Program effectively and in a timely manner.

SECTION 5.02. Amendments. This Agreement may be revised only by the written mutual consent of the parties hereto.

SECTION 5.03. Consultation and Coordination. The Grantee and A.I.D. shall consult with each other, and with the Government of Ethiopia, at the request of either party to this Agreement concerning the operation of the Program and of this Agreement.

SECTION 5.04. Financial Records. Financial records, including documentation to support entries on accounting records and to substantiate charges to this Grant shall be kept in accordance with Grantee's usual accounting procedures, which shall follow generally accepted accounting principles. All such financial records shall be maintained, and be required to be maintained, for at least three years after final disbursement of funds under this Grant. The Grantee semi-annually shall submit a report on the expenditures incurred under the Grant to the authorized representative of A.I.D. or to the Comptroller General of the United States.

SECTION 5.05. Program Reports. The Grantee

shall submit semi-annual reports to A.I.D. describing the operation of the Program and the goods and services financed under this Grant.

SECTION 5.06. Delegate to Congress and Resident

Commissioner. No member or delegate to the Congress or resident commissioner shall be admitted to any share or part of the Grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Grant if made with a corporation for its general benefit.

SECTION 5.07. Assignment of Claim. The Grantee

agrees to execute an assignment to A.I.D., upon request, of any cause of action that may accrue to the Grantee in connection with or arising out of a contractor's performance or breach of performance of any contract financed in whole or in part out of funds provided by A.I.D. under this Agreement.

SECTION 5.08. Termination. Either party may

terminate this Agreement by giving the other party thirty (30) days written notice of intention to terminate it. Termination of this Agreement shall terminate any obligations to make contributions pursuant to this Agreement, except for payments either party is committed to make pursuant to non-cancellable commitments entered into with third parties prior to termination of the Agreement. It is expressly understood that all other obligations under this Agreement shall remain in force after such termination.

SECTION 5.09. Refund. If any A.I.D. funds disbursed under this Agreement are not used, applied or accounted for in accordance with the terms of this Agreement, Grantee agrees to refund to A.I.D. within thirty (30) days after receipt of a request therefor, the amount thereof, provided that A.I.D.'s request if made not later than five (5) years after final disbursement under this Grant.

SECTION 5.10. Laws and Regulations of the United States. A.I.D. shall expend funds and carry on operations under this Agreement only in accordance with the applicable laws and regulations of the United States Government.

SECTION 5.11. Implementation Letters. From time to time, for the information and guidance of both parties, A.I.D. may issue Implementation Letters that will describe the procedures applicable to the implementation of this Agreement.

SECTION 5.12. 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, cable or radiogram, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address:

To A.I.D.

Mail Address: Office of Regional Affairs
Bureau for Africa
Agency for International
Development
Washington, D.C. 20523

All such communications shall be in English, unless the parties hereto 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 in Ethiopia with a copy of each communication sent to A.I.D.

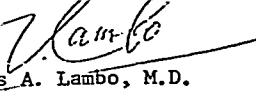
SECTION 5.13. Representatives. For all purposes relevant to this Agreement, the Grantee shall be represented by the person holding or acting in the Smallpox Eradication Unit and A.I.D. will be represented by the person holding or acting in the Office of Africa Regional Affairs, each of whom, may designate additional representatives for all purposes under this Agreement. 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.

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.

FOR:

The World Health Organization

BY:

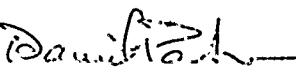

Thomas A. Lambo, M.D.

TITLE: Deputy Director General

DATE: April 26, 1976

FOR:

The United States of America

BY: 
Daniel Parker

TITLE: Development

Administrator, Agency
for International

DATE: April 26, 1976

Appropriation: 72-11 x 1024

Allotment: 424-61-698-00-69-61

Obligation: 616 7115

ATTACHMENT

DISBURSEMENT OF FUNDS

A. A.I.D. shall open a Federal Reserve Letter of Credit in the amount of this grant against which the Grantee may present payment vouchers. Funds drawn by the Grantee against the Federal Reserve Letter of Credit shall be only in such amounts as may be needed to meet current programme expenditures under the grant, and such drawdowns shall be made as close to the day of actual expenditure as is administratively feasible. Within the foregoing ceiling amount, the amount of any payment voucher shall not in any event be less than \$100,000 nor more than \$300,000.

B. In no event shall the accumulated total of all such payment vouchers exceed the amount of the Federal Reserve Letter of Credit.

C. Procedure for Grantee.

1. After arranging with a commercial bank of its choice for operation under this Letter of Credit and obtaining the name and address of the Federal Reserve Bank or branch serving the commercial bank, the Grantee shall deliver to the A.I.D. Office of Financial Management (SER/FM/FSD) three originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit" signed by those official(s) authorized to sign payment vouchers against the Federal Reserve Letter of Credit and by an official of the Grantee who has authorized them to sign.

2. Upon execution of the grant, the Grantee shall receive one certified copy of the Federal Reserve Letter of Credit.
3. The Grantee shall confirm with its commercial bank that the Federal Reserve Letter of Credit has been opened and is available if funds are needed.
4. To receive payment, the Grantee shall:
 - (a) Periodically, although normally not during the last five days of the month, prepare payment vouchers (Form TUS-5401) in an original and three copies.
 - (b) Have the original and two copies of the voucher signed by the authorized official(s) whose signature(s) appear on the Standard Form 1194.
 - (c) Present the original, duplicate and triplicate copy of the Form TUS-5401 to its commercial bank.
 - (d) Retain the quadruplicate copy of the voucher.
5. After the first payment voucher (Form TUS-5401) has been processed, succeeding payment vouchers shall not be presented until the existing balance of previous payments has been expended or is insufficient to meet current needs. Each drawdown should be initiated at approximately the same time that checks are issued by the Grantee in payment of program liabilities and in an amount approximately equal to the United States share of such payments.
6. In preparing the payment voucher, the Grantee shall assign a voucher number in numerical sequence beginning with 1 and continuing in sequence on all subsequent pay-

ment vouchers submitted under the Federal Reserve Letter of Credit. The current status of the pertinent Federal Reserve Letter of Credit funds shall be presented on the reverse side of the last two copies of the Form TUS-5401 in the following format:

Cash on hand prior to preceding advance \$ _____
Plus amount of last advance on _____
TUS-5401 No. _____
Less total payments subsequent to _____
last advance _____
Equals cash on hand prior to receiving
current advance on TUS-5401 No. _____

7. A report of expenditures shall be prepared and submitted semi-annually to A.I.D. Office of Financial Management (SER/FM/FSD). This Report, submitted on Standard Form 1034, "Public Voucher for Purchases and Services other than Personal", shall be supported by certification, listing of expenditures against withdrawals and documentation as required.
8. Simultaneously with the submission of the report of expenditures the Grantee shall submit to SER/FM/FSD a report on the status of the Federal Reserve Letter of Credit as of the close of the periods covered by the report of expenditures. The report is prepared in the following format:

STATUS OF FUNDING REPORT

Federal Reserve Letter of Credit (FRLC)

No. _____

Period from _____ through _____

A. Letter of Credit Position:

1. Current amount of FRLC (including amendments) through reporting period..... \$ _____

2. Payment Vouchers on Letter of Credit presented (Form TUS-5401):

a. Credited prior to reporting period..... _____

b. Credited during reporting period via TUS-5401 Voucher Nos. _____ through _____ inclusive..... _____

c. Presented but not credited during report via TUS-5401's numbered _____ through _____ inclusive. _____

3. Total of all Payment Vouchers against FRLC credited or presented..... _____

4. Balance of FRLC not drawn or requested this reporting period..... _____

B. Cash Position:

1. Cash on hand at beginning of period.. _____

2. Plus: cash drawn during period..... _____

3. Plus: refunds, rebates or other amounts received, to the extent allocable to disbursements charged against this FRLC..... _____

4. Total cash available (sum of 1, 2, and 3)..... _____

5. Less: disbursements during period.... _____

6. Balance of cash on hand at close of reporting period..... _____

7. Estimated number of days requirements covered by balance on hand
(Item 6 above) Days: _____

8. Advances to contractors \$ _____
(included in B. 6 above).

[AMENDING AGREEMENT]

FIRST AMENDMENT

TO

GRANT AGREEMENT

(SMALLPOX ERADICATION IN ETHIOPIA)

BETWEEN THE

WORLD HEALTH ORGANIZATION

AND THE

UNITED STATES OF AMERICA

The Grant Agreement between the World Health Organization ("WHO") and the United States of America, acting through the Agency for International Development ("A.I.D.") dated April 26, 1976, is hereby amended as follows:

1. Section 1.02 is deleted in its entirety and the following is substituted in its place:

"Section 1.02 - Amount of Grant. The amount of the Grant provided herewith is DOLS 2,000,000."

This Amendment shall be effective upon execution.

Except as specifically modified and amended hereby, the Grant Agreement dated April 26, 1976, shall remain in full force and effect. All references in said Agreement to the words "Grant Agreement" or "this Agreement" shall be deemed to mean the Grant Agreement as amended.

In witness whereof, the United States of America
and WHO, each acting through its duly authorized repre-
sentative have caused this First Amendment to be signed
and delivered.

FOR:

World Health Organization

BY Halfdan Mahler

TITLE. Director-General

DATE: 6 August 1976

FOR:

United States of America

BY Henry E. Catto, Jr.

TITLE. Ambassador

DATE: 6 August 1976

APPROPRIATION: 72-11X1024
ALLOTMENT: 424-61-698-00-69-51
OBLIGATION: 6117250

UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND

Transfer of Technical Data: JT-10D Jet Engine

*Memorandum of understanding signed at Washington
December 30, 1976;
Entered into force December 30, 1976.*

MEMORANDUM OF UNDERSTANDING
BETWEEN THE GOVERNMENT OF THE UNITED STATES
AND THE GOVERNMENT OF THE UNITED KINGDOM
CONCERNING THE TRANSFER OF TECHNICAL DATA
RELATING TO THE JT-10D JET ENGINE COLLABORATION
AGREEMENT TO THIRD COUNTRIES

Reference is made to recent discussions between representatives of the Government of the United States and the Government of the United Kingdom concerning commercial arrangements with respect to the design and development of a jet aircraft engine designated the "JT-10D" entered into by the Pratt and Whitney Aircraft Group, Commercial Products Division, United Technologies, Inc., a United States firm; Rolls Royce, Ltd., a British firm; Motoren und Turbinen-Union GmbH, a German firm; and Fiat S.p.A., an Italian firm.

Under the aforementioned commercial arrangements, the United States firm has agreed, subject to approval by the Government of the United States, to make available to the British firm certain advanced technical data relating to aircraft engine design and manufacture. The Government of the United States desires to facilitate this cooperative endeavor by granting the necessary approval, so long as the information to be transferred will be adequately safeguarded against disclosure to third parties or uses other than those specified in the collaboration agreement entered into by the United States, British, German, and Italian firms. The United States firm has been advised that export from the United States of technical data under the collaboration agreement is authorized subject to several conditions precedent, one of which is the conclusion of "a satisfactory agreement with the governments of the JT-10D partners constraining all parties from divulging any technical information on JT-10D design and manufacturing technology to third parties."

Section I: Responsibilities of the United Kingdom

The Government of the United Kingdom furnishes to the Government of the United States its firm assurances that it will not, except as hereinafter provided, disclose or permit the disclosure of technical data made available to the British firm by the United States firm pursuant to the collaboration

agreement, and as particularly identified in Appendices 4 and 6 thereof, including technology developed in the implementation of that agreement, to any third country or to a national of a third country, and, further, that it will take all practicable measures to prevent that information from being so disclosed. The foregoing assurances apply to information conveyed to the British firm in writing and identified as JT-10D restricted technology pursuant to the collaboration agreement and, only so far as practicable, to information conveyed orally or by other means. They do not apply to information in the public domain or to information which was already known to the British firm prior to its receipt from the United States firm, it being understood that nothing in this understanding authorizes the release to third countries or to nationals of third countries of information received from the United States firm pursuant to the collaboration agreement that was not already releaseable to third countries or to nationals of third countries. They do not apply to transfers to the German and Italian partners, in accordance with the collaboration agreement, of technical information not relating to the engine core and necessary for them to perform their respective roles under that agreement. The Government of the United Kingdom will also advise the Government of the United States promptly should any unauthorized disclosure occur.

Further, the Government of the United Kingdom will request the British firm to insure that confidential Rolls Royce technology is initially transmitted in writing.

Section II: Responsibilities of the United States

The Government of the United States furnishes to the Government of the United Kingdom its firm assurances that it will not, except as hereinafter provided, disclose or permit the disclosure of technical data made available to the United States firm by the British firm pursuant to the collaboration agreement, and as particularly identified in Appendices 4 and 6 thereof, including technology developed in the implementation of that agreement, to any third country or to a national of a third country, and, further, that it will take all practicable measures to prevent that information from being so disclosed. The foregoing assurances apply to information conveyed to the United States firm in writing and identified as "confidential Rolls Royce technology" pursuant to the collaboration agreement and, only so far as practicable, to information conveyed orally or by other means. They do not apply to information

in the public domain or to information which was already known to the United States firm prior to its receipt from the British firm, it being understood that nothing in this understanding authorizes the release to third countries or to nationals of third countries of information received from the British firm pursuant to the collaboration agreement that was not already releaseable to third countries or to nationals of third countries. They do not apply to transfers to the German and Italian partners, in accordance with the collaboration agreement, of technical information necessary for them to perform their respective roles under that agreement. The Government of the United States will also advise the Government of the United Kingdom promptly should any unauthorized disclosure occur.

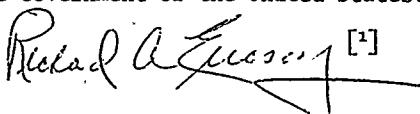
Further, the Government of the United States has requested the United States firm to insure that core information is initially transmitted in writing.

Section III: Implementation of the Contract

Comparable assurances have been requested by the Government of the United States from the governments of the German and Italian partners to the JT-10D collaboration agreement with respect to technical information to be made available to those partners. Upon receipt of the requested assurances from all of the concerned governments, the Government of the United States will inform the United States firm that the conditions imposed upon United States approval of the proposed export have been fulfilled, and that implementation of the contract, therefore, may commence.

Signed at Washington on this 30th day of December, 1976

For the Government of the United States:



Acting Director
Bureau of Politico-Military Affairs,
Department of State

For the Government of the United Kingdom:



Counselor
Embassy of the
United Kingdom.

¹ Richard A. Ericson

² K. B. A. Scott

URUGUAY

Agricultural Cooperative Development

*Agreement signed at Montevideo September 3, 1975;
Entered into force September 3, 1975.*

AID Loan 528-T-025

**PAYMENT AND GUARANTY AGREEMENT
BETWEEN
THE ORIENTAL REPUBLIC OF URUGUAY
AND
THE UNITED STATES OF AMERICA
FOR THE
AGRICULTURAL COOPERATIVE DEVELOPMENT LOAN**

Dated: SEPTEMBER 3, 1975

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PAYMENT AND GUARANTY AGREEMENT, in furtherance of the Alliance for Progress, dated September 3, 1975, between the ORIENTAL REPUBLIC OF URUGUAY ("Government") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("AID").

ARTICLE I

Definitions and Terms

SECTION 1.01 - The Loan Agreement - The Loan Agreement, numbered AID Loan 528-T-025 between the COOPERATIVA AGROPECUARIA LIMITADA DE SOCIEDADES DE FOMENTO RURAL ("CALFORU") ("Borrower") and the UNITED STATES OF AMERICA, dated September 3, 1975, establishing a Loan of not to exceed two million United States dollars (\$2,000,000) is herein called the "Loan Agreement", and the Loan established thereby is herein called the "Loan".

SECTION 1.02 - Principal - As used in this Payment and Guaranty Agreement, "Principal" shall mean the aggregate amount of dollars disbursed under the Loan Agreement.

SECTION 1.03 - Transferred Principal - As used in this Payment and Guaranty Agreement, "Transferred Principal" means Principal paid by Borrower to the Government pursuant to Section 2.05 of the Loan Agreement and Section 2.01 of this Agreement.

SECTION 1.04 - Outstanding Transferred Principal - As used in this Payment and Guaranty Agreement, "Outstanding Transferred Principal" means Transferred Principal not repaid to AID by the Government.

SECTION 1.05 - Government Interest Rate - As used in this Payment and Guaranty Agreement, "Government Interest Rate" means interest at two percent (2%) for ten (10) years following the first disbursement under the Loan Agreement, and three percent (3%) thereafter.

SECTION 1.06 - Government Amortization Terms - As used in this Payment and Guaranty Agreement, "Government Amortization Terms" means amortization over not more than forty (40) years, in sixty-one (61) semi-annual installments, the first of which shall be due and payable not later than ten (10) years after the first disbursement under the Loan Agreement on a date to be mutually agreed upon by the parties hereto. The amount of each installment shall be determined by dividing the total amount of the Government's obligation to repay outstanding Principal to AID immediately before paying that installment by the number of installments remaining to be paid at that time.

ARTICLE II

Special Procedure for Borrower's Payment to Government

SECTION 2.01 – Receipt of Borrower's Payments – Pursuant to Section 2.05 of the Loan Agreement, the Government and AID hereby agree that the Government shall receive from the Borrower payments in Uruguayan currency ("Pesos") in discharge of the Borrower's obligation to AID. The Government upon receipt of such payments, will issue receipts to the Borrower. These receipts will be deemed as sufficient evidence that the Borrower has complied with its financial obligations to AID. The Government will, in turn, pay AID in United States Dollars as stipulated under the Special Payment Procedure of the Loan Agreement.

SECTION 2.02 – Notice –

(a) Upon satisfactory completion of the conditions precedent set forth in Article X of this Payment and Guaranty Agreement, AID shall notify the Borrower in accordance with the Loan Agreement that this Payment and Guaranty Agreement is in effect.

(b) Promptly upon receipt thereof, Government shall notify AID of all payments received from Borrower in accordance with this Agreement.

SECTION 2.03 – Exchange Rate – The Peso equivalent of the dollar amount which the Borrower would be obligated to pay to AID in dollars if this Payment and Guaranty Agreement were not in effect shall be calculated at whichever rate of exchange would be employed by the Central Bank of Uruguay if the Borrower were obtaining dollars for payments directly to AID pursuant to the Loan Agreement.

SECTION 2.04 – Denomination of Borrower's Payment – Although payable to Government in Pesos, all payments by Borrower to Government shall, immediately upon receipt by the Government, be denominated in dollars employing the exchange rate specified in or pursuant to Section 2.03.

SECTION 2.05 – Use of Borrower's Payments – Special Account – The Government shall deposit the Borrower's payments in a separate account which the Government shall establish in the Central Bank of Uruguay or such other Bank as the Government and AID may agree upon ("Special Account"). Unless AID agrees otherwise in writing, such account shall be drawn upon by the Government for the purpose of meeting payment obligations to AID pursuant to this Payment Agreement and for such purposes beneficial to the economic and social development of Uruguay consistent with the goals of the Alliance for Progress. Provided, however, that the provisions of this Section shall in no way limit, modify or alter Government's obligation to make payment to AID pursuant to this Agreement.

ARTICLE III

Deferred Payment by Government to AID

SECTION 3.01 - Scope - The provisions of this Article III shall apply unless and until AID invokes the guaranty set forth in Article IV.

SECTION 3.02 - Interest Payment - Interest on Untransferred Principal - Immediately upon receipt of any interest payment from the Borrower, Government shall pay to AID the lesser of the following two amounts:

(a) an amount equal to the interest which the Borrower would have been obligated to pay to AID if Borrower's interest obligations had been computed at the Government interest rate;

(b) the amount of interest actually received from the Borrower.

SECTION 3.03 - Interest Payments - Interest on Transferred Principal - In addition to the obligations set forth in Section 3.02 Government shall pay to AID interest at the Government Interest Rate, on Outstanding Transferred Principal and on any interest due and payable by Government to AID. Interest on Outstanding Transferred Principal shall accrue from the dates on which Principal payments are received from Borrower by Government, and shall be payable to AID semiannually, the first such payment to be specified by AID, which date shall be no later than six (6) months after interest on Outstanding Transferred Principal begins to accrue.

SECTION 3.04 - Amortization of Transferred Principal - Government agrees to pay to AID all Transferred Principal in accordance with the Government Amortization Terms.

SECTION 3.05 - Use of Balances - All amounts representing:

(i) differences between interest paid by Borrower to Government in accordance with Section 2.01, and interest payable by Government to AID pursuant to this Payment and Guaranty Agreement; and

(ii) differences between the total amount of Transferred Principal and Transferred Principal due and payable by Government to AID pursuant to this Payment and Guaranty Agreement; shall remain available to Government for use in accordance with Section 2.05.

ARTICLE IV

Independent Guaranty

SECTION 4.01 - Guaranty -

(a) The Government unconditionally and absolutely, jointly and severally as primary obligor with the Borrower, undertakes to make, in accordance with the terms of the Loan Agreement, due and punc-

tual payment of the Principal, Interest and any other payment required of the Borrower under the Loan Agreement.

(b) The Government shall furnish such information and take such steps related to making this Guaranty operative as AID may reasonably request.

(c) The Government agrees to remain bound under this Payment and Guaranty Agreement notwithstanding the extension of time of performance to, the granting of any other indulgency to, or any other modification of any obligation of the Borrower under the Loan Agreement other than financial obligations of the Borrower. Any financial modifications shall be agreed to by the Government.

(d) AID may invoke the foregoing guaranty upon the occurrence of any Event of Default as defined in the Loan Agreement, by delivery of notice to the Government. Except as otherwise provided in Section 4.01, upon delivery of such notice and until such time as AID may otherwise agree to in writing, Government shall meet its obligations to AID under this Article by making payments to AID in accordance with Section 4.02 and 4.03.

SECTION 4.02 – Amortization – In the event that the Guaranty is invoked by AID, the Government shall pay to AID the amount that the Borrower is obligated to pay to AID pursuant to Section 2.02 of the Loan Agreement ("Repayment"), whether or not Borrower has discharged said obligations by repayments to Government in Pesos in accordance with Section 2.05 of the Loan Agreement and Section 2.01 of this Payment and Guaranty Agreement. Such payments by Government to AID shall be in accordance with the Government Amortization Terms.

SECTION 4.03 – Interest – In the event that the Guaranty is invoked by AID, Government shall pay to AID interest at the Government Interest Rate on any Principal which has not been repaid to AID, and on any interest due to AID. Such interest shall accrue from the dates of the respective disbursement by AID under the Loan Agreement, and shall be payable to AID semi-annually, the first such payment to be due and payable on a date to be agreed by the parties.

SECTION 4.04 – Independent Nature of Guaranty – The Guaranty established in Section 4.01 shall remain in full force and effect whether or not the Special Payment Procedures established by Section 2.01 and other provisions of this Payment and Guaranty Agreement are, for any reason, terminated. In the event such Procedures are, for any reason, terminated, and the Guaranty is invoked by AID, the provisions of Sections 4.02 and 4.03 shall cease to apply and Government shall meet its obligations to AID under this Article by making payments to AID in accordance with the Loan Agreement and Section 4.01 of this Agreement.

ARTICLE V

Government Payments - General

SECTION 5.01 - Currency of Payments - All payments by Government to AID shall be in United States Dollars.

SECTION 5.02 - Place of Payments - All payments by Government to AID shall be deemed to have been paid when delivered to the Agency for International Development, CASHIER, SER/CONT, Washington, D.C. 20523, or to such other address as AID may specify.

SECTION 5.03 - Application of Payments - All payments by Government to AID shall be applied first to the payment of any interest due from Government to AID and unpaid, and then to the repayment of Principal due from Government to AID.

SECTION 5.04 - Prepayment - The Government shall have the right to prepay without penalty at any time, all or any part of the Outstanding Transferred Principal. Any prepayment shall be applied in the order prescribed in Section 5.03 and amounts applied to the remaining installments of Outstanding Transferred Principal shall be applied pro rata to such installments.

SECTION 5.05 - Renegotiation of Terms - In the light of the undertakings of the Government of the United States of America, the Government and the other signatories of the Act of Bogotá¹] and the Charter of Punta del Este²] to join in an Alliance for Progress, the Government agrees that at any time or times when it is requested to do so by AID under this Section, but not sooner than six (6) months before the date on which the first installment of Outstanding Transferred Principal is payable under Section 3.04 of this Payment and Guaranty Agreement, it will negotiate with AID concerning the acceleration of payments required to be made to AID pursuant to this Payment and Guaranty Agreement. The parties hereto shall mutually determine to what extent repayment should be accelerated on the basis of one or more of the following criteria:

(a) The capacity of the Government to service a more rapid liquidation of its obligations in the light of the internal and external financial position of Uruguay, taking into account debts owing to any agency of the United States of America or to any international organization of which the United States of America is a member.

(b) The relative capital requirements of the Government and of the other signatories of the Act of Bogotá and of the Charter of Punta del Este.

SECTION 5.06 - Interest Computation on a 365 Day Year Basis - Interest under this Agreement shall be computed on the basis of a 365-day year.

¹ Department of State Bulletin, Oct. 3, 1960, p. 537.

² Department of State Bulletin, Sept. 11, 1961, p. 462.

ARTICLE VI

Additional Covenants and Warranties

SECTION 6.01 – Notice of Adverse Developments – The Government shall promptly inform AID of any conditions which interfere with, or threaten to interfere with, the carrying out by the Government of its obligations under this Agreement.

SECTION 6.02 – Taxation of this Payment and Guaranty Agreement, and Payments Hereunder – This Payment and Guaranty Agreement shall be free from, and all payments to AID made hereunder shall be paid without deduction for and free from, any taxation or fees imposed under the laws of Uruguay in effect in its territory.

SECTION 6.03 – Local Credit Support – The Government covenants to give due consideration and feasible support to ensure that Borrower has access to the local credit necessary to meet Project objectives.

ARTICLE VII

Records; Inspections; Reports

SECTION 7.01 – Maintenance of Records; Inspections; Reports –

(a) The Government shall maintain, or cause to be maintained, for such time as shall meet the needs of the parties, books and records, including documentation, in accordance with sound accounting principles and practices adequate to identify the payments received pursuant to Section 2.01 hereof, and to identify programs or projects financed by funds disbursed from the Special Account, and indicate the progress of such activities.

(b) AID, or its authorized representative, shall have the right at all reasonable times to examine such books and records and all other documents, correspondence, memoranda, and other records relating to: (1) the payments received pursuant to Section 2.01 hereof and (2) the use of funds disbursed from the Special Account.

(c) The Government shall cooperate with, and give reasonable assistance to, and shall facilitate inspections by AID with respect to the execution of the activities financed through the Special Account, and shall afford all reasonable opportunity for authorized representatives of AID to visit any part of the territory of Uruguay for purposes related to this Payment and Guaranty Agreement.

(d) The Government shall promptly furnish to AID such financial and other reports and information relating to the covenants of this Payment and Guaranty Agreement or transactions pursuant hereto as AID may reasonably request.

ARTICLE VIII

Remedies of AID

SECTION 8.01 - Grounds for Termination - If any one or more of the following events ("Grounds for Termination") shall occur:

(a) Government shall fail to comply with any provision contained herein.

(b) A default shall have occurred under any other agreement between Government or any of its agencies and the United States of America or any of its agencies.

(c) AID determines that any representation or warranty made by or on behalf of Government in connection with this Agreement or the negotiations incident hereto, or pursuant to this Agreement is incorrect in any material respect.

(d) Any change in the character, capacity or credit-worthiness of the Borrower, or a change in the conduct of the Project described in the Loan Agreement, which occurs because Government or any governmental authority in Uruguay shall have taken any action for the dissolution or disestablishment of the Borrower or for the suspension of the Borrower's activities or a substantial part thereof, or for the cancellation, substantial amendment or suspension of the right of the Borrower to carry out the project.

(e) AID after consultation with the Government determines that an extraordinary situation has arisen which makes it improbable that the purposes of this Agreement shall be attained or that the Government will be able to perform its obligations hereunder.

(f) Continuation of the procedures established herein would be in violation of the law governing AID.

(g) An event of default under the Loan Agreement.

Then AID, at its option, may declare:

(i) all or any part of the Outstanding Transferred Principal and any interest accrued thereon to be due and payable to AID immediately, specifying which installments thereof, and interest thereon shall become due and payable, and/or

(ii) the special payment procedure established herein to be terminated.

Upon any such declaration, unless the cause for termination is cured within sixty (60) days thereafter, such Principal and interest shall become due and payable immediately, and/or the special payment procedure shall be terminated in accordance with the terms of such declaration. Unless AID otherwise specifies, such termination shall not in any way affect the continued validity of the guaranty contained in Section 4.01.

SECTION 8.02 - Waivers of Causes for Termination - No delay in exercising or omission to exercise any right accruing to AID under this Agreement shall be construed as an acquiescence or as a waiver by AID of any such rights.

SECTION 8.03 – Defaults – For purposes of other agreements between Government and the United States of America or any of its agencies, the occurrence of an event specified in sub-sections 8.01 (a), (c), or (d) shall be considered an “Event of Default” under this Agreement.

ARTICLE IX

Miscellaneous

SECTION 9.01 – Use of Representatives –

(a) All actions required or permitted to be performed or taken under this Agreement by the Government or AID may be performed by their respective duly authorized representatives.

(b) The Government hereby designates the Minister of Economy and Finance as its representative with authority to designate in writing other representatives in its dealing with AID. The representative of the Government named pursuant to the preceding sentence, unless AID is given notice otherwise, shall have authority to agree on behalf of the Government to any modification of this Agreement which does not substantially increase the Government's obligations hereunder. Until receipt by AID of written notice of revocation by the Government of the authority of any of its representatives, AID may accept that any action effected by such instrument is authorized by the Government.

SECTION 9.02 – No Prejudice – No provisions of this Agreement shall terminate or modify any right of AID specified in or which may arise pursuant to the Loan Agreement.

SECTION 9.03 – Notice – Any notice, request or communication given, made or sent by the Government or AID 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, telegram, cable or radiogram to such other party at the following addresses:

TO THE GOVERNMENT:

Mail Address: Ministerio de Economía y Finanzas
Colonia 1089
Montevideo, Uruguay
Cable Address: MinEconomia y Finanzas
Montevideo, Uruguay

TO AID:

Mail Address: USAID Mission to Uruguay
American Embassy
Lauro Müller 1776
Montevideo, Uruguay
Cable Address: AmEmbassy
Montevideo, Uruguay

Other addresses may be substituted for the above upon the giving of notice and acknowledgement of such substitution.

SECTION 9.04 - Effective Date of Payment and Guaranty Agreement - This Agreement shall enter into effect as of the day and year first above written.

ARTICLE X

Conditions Precedent

SECTION 10.01 - Conditions Precedent to Use of Deferred Payment Procedures - The Special Payment Procedures set forth in Section 2.05 of the Loan Agreement shall not be employed unless and until Government has furnished AID in form and substance satisfactory to AID:

(a) An opinion or opinions of the Fiscal de Gobierno, or of other counsel satisfactory to AID, that this Agreement has been duly authorized or ratified by and executed on behalf of Government and that this Agreement and any obligations incurred by Government pursuant hereto do and will constitute valid and legally binding obligations of Government in accordance with their terms.

(b) Evidence of the authority of the person or persons who will act as representative or representatives of Government in connection with the operation of this Agreement pursuant to Section 9.01 of this Agreement, together with specimen signature of each such person certified as to its authenticity by duly constituted Uruguayan authority if said signature has not been heretofore submitted to AID.

SECTION 10.02 - Terminal Date for Satisfying Conditions Precedent - If the conditions contained in Section 10.01 of this Agreement have not been satisfied within 90 days of the date of this Agreement, or such later date as AID may specify, AID may at any time thereafter terminate the Special Payment Procedure and/or all provisions of this Agreement by giving notice to Government.

IN WITNESS WHEREOF, the Government and the United States of America, each acting through its respective duly authorized representative, have caused this Agreement to be signed in their respective names and delivered as of the date and year first above written.

THE ORIENTAL REPUBLIC OF
URUGUAY

By: JUAN CARLOS BLANCO

Dr. Juan Carlos Blanco
Title: Minister of Foreign Affairs

By: ALEJANDRO V VILLEGAS
Ing. Alejandro Vegh
Villegas
Title: Minister of Economy
and Finance

THE UNITED STATES OF
AMERICA

By: ERNEST V SIRACUSA

Ernest V. Siracusa
Title: Ambassador of the
United States of America

By: LEONARD J. HORWITZ
Leonard J. Horwitz
Title: AID Representative
in Uruguay