

United States Treaties and Other International Agreements



VOLUME 30

IN SIX PARTS

Part 3
1978-79

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

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

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

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1980

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

LIST OF DOCUMENTS CONTAINED IN PART 3 OF THIS VOLUME

TIAS	Page
9358 <i>Federal Republic of Germany.</i> Defense (stationing of training components). Agreement: Signed May 24 and July 6, 1977	2671
9359 <i>United Kingdom of Great Britain and Northern Ireland.</i> Leased naval and air bases. Agreement: Signed Dec. 5 and 6, 1978	2683
9360 <i>Guatemala.</i> Small farmer marketing. Agreement: Signed May 18, 1978	2699
9361 <i>Turkey.</i> Finance (consolidation and rescheduling of certain debts). Agreement: Signed Sept. 21, 1978. And agreements: Signed Dec. 5, 1978	2723
9362 <i>Philippines.</i> Real property tax administration. Agreement: Signed May 19, 1978	2763
9363 <i>Peru.</i> Rural development. Agreement: Signed May 31, 1978	2793
9364 <i>Socialist Federal Republic of Yugoslavia.</i> Air transport services. Agreement: Signed Dec. 15, 1977; with memorandum of understandings .	2817
9365 <i>Canada.</i> OMEGA Navigational Stations. Agreement: Signed July 26 and Dec. 20, 1978	2840
9366 <i>Multilateral.</i> Whaling (Amendments to the Schedule to the International Whaling Convention of 1946). Adopted: Dec. 19-20, 1978	2852
9367 <i>Israel.</i> Education. Memorandum of understanding: Signed Nov. 15, 1978	2858
9368 <i>Iceland.</i> Shellfish sanitation. Memorandum of understanding: Signed Oct. 25 and Dec. 28, 1978	2873
9369 <i>Netherlands.</i> Defense (refinancing of NATO projects). Agreement: Signed May 30 and July 24, 1975	2885
9370 <i>Egypt.</i> National energy control center. Agreement: Signed June 1, 1978	2891
9371 <i>Israel.</i> Agricultural commodities. Agreement: Signed Jan. 16, 1979 .	2896
9372 <i>Pakistan.</i> Agricultural commodities. Agreement: Signed Jan. 24, 1979; with minutes	2903
9373 <i>Jordan.</i> Agricultural commodities. Agreement: Signed Jan. 17, 1979; with minutes of negotiations	2913
9374 <i>Mexico.</i> United States-Mexican Commission on Cultural Cooperation. Agreement: Signed Oct. 30, 1978 and Jan. 23, 1979	2932
9375 <i>Jordan.</i> Scheduled and nonscheduled air services. Agreement: Signed Jan. 10, 1979	2936

TIAS	Page
9376 <i>Multilateral.</i> Trade (meat imports). Agreement: Signed Jan. 11-Mar. 29, 1979	2943
9377 <i>Senegal.</i> Agricultural commodities (transfer under Title II). Agreement: Signed Feb. 21, 1978. And amending agreement: Signed Mar. 29, 1978	3052
9378 <i>Bangladesh.</i> Agricultural commodities (transfer under Title II). Agreement: Signed Mar. 16, 1978	3063
9379 <i>Mauritania.</i> Agricultural commodities (transfer under Title II). Agreement: Signed Apr. 18, 1978. And amending agreement: Signed Apr. 18, 1978	3067
9380 <i>Niger.</i> Agricultural commodities (transfer under Title II). Agreement: Signed Apr. 25, 1978	3077
9381 <i>Niger.</i> Rural health improvement. Agreement: Signed June 1, 1978	3083
9382 <i>Cape Verde.</i> Agricultural commodities (transfer under Title II). Agreement: Signed May 22, 1978	3128
9383 <i>Chad.</i> Agricultural commodities (transfer under Title II). Agreement: Signed June 2, 1978	3132
9384 <i>United Nations High Commissioner for Refugees.</i> Agricultural commodities (transfer under Title II). Agreement: Signed June 29 and 30, 1978	3138
9385 <i>Peru.</i> Agricultural commodities (transfer under Title II). Agreement: Signed July 19, 1978. And amending agreement: Signed July 19, 1978	3141
9386 <i>Ethiopia.</i> Agricultural commodities (transfer under Title II). Agreement: Signed Sept. 22, 1978	3149
9387 <i>Philippines.</i> Panay unified services for health. Agreement: Signed June 2, 1978	3153
9388 <i>Upper Volta.</i> Agricultural human resources development. Agreement: Signed June 8, 1978	3185
9389 <i>Bangladesh.</i> Agricultural commodities (Food for Development under Title III). Agreement: Signed Aug. 2, 1978; with agreed minutes	3205
9390 <i>Portugal.</i> Agricultural commodities. Agreement: Signed Aug. 4, 1978; with minutes of negotiations. And amending agreement: Signed Aug. 30 and 31, 1978	3247
9391 <i>Lebanon.</i> Health sector rehabilitation. Agreement: Signed June 22, 1978	3267
9392 <i>Republic of China.</i> Express mail service. Agreement: Signed Sept. 11 and Nov. 10, 1978	3277
9393 <i>Peru.</i> Sub-tropical lands development. Agreement: Signed June 30, 1978	3303
9394 <i>Indonesia.</i> Family planning. Agreement: Signed July 13, 1978	3339
9395 <i>United Kingdom of Great Britain and Northern Ireland.</i> Express mail service. Agreement: Signed Nov. 6 and Dec. 14, 1978	3357
9396 <i>Singapore.</i> Express m: service. Agreement: Signed Jan. 5 and 10, 1979	3383

TIAS	Page
9397 <i>Bangladesh</i> . Fertilizer distribution improvement. Agreement: Signed July 28, 1978. And amending agreement: Signed June 25, 1979 . . .	3409
9398 <i>Hong Kong</i> . Express mail service. Agreement: Signed Jan. 2 and Feb. 6, 1979	3427
9399 <i>Honduras</i> . Hydrographic and nautical cartography. Arrangement: Signed Aug. 30, 1976	3453
9400 <i>Japan</i> . Criminal investigations. Agreement: Signed Jan. 20 and 22, 1979	3473
9401 <i>Togo</i> . Criminal investigations. Agreement: Signed Jan. 30, 1979	3477
9402 <i>Tanzania</i> . Peace Corps. Agreement: Signed Jan. 9, 1979	3486
9403 <i>Brazil</i> . Space research (sounding rockets and balloons). Agreement: Signed Nov. 14, 1978 and Jan. 24, 1979	3493
9404 <i>Iran</i> . Military mission to Iran. Agreements: Dated Oct. 8, 1977 and Jan. 19, 1978 and Sept. 10, 1978 and Jan. 3, 1979	3502
9405 <i>Zaire</i> . Finance (consolidation and rescheduling of certain debts). Agreement: Signed July 19, 1978	3511
9406 <i>International Monetary Fund</i> . Supplementary financing facility. Agreement: Signed Jan. 5 and 12, 1979	3526
9407 <i>Federal Republic of Germany</i> . Criminal investigations. Agreement: Signed Jan. 10 and Feb. 1, 1979	3533
9408 <i>Federal Republic of Germany</i> . Operation of radio installation at Erching. Agreement: Signed Jan. 22 and 26, 1979	3540
9409 <i>Colombia</i> . Scientific and technical cooperation in Earth sciences. Memorandum of understanding: Signed Dec. 12, 1978 and Jan. 30, 1979	3548
9410 <i>United Kingdom of Great Britain and Northern Ireland</i> . Deep sea drilling project. Agreement: Signed Dec. 2, 1977 and Jan. 31, 1978	3551
9411 <i>Ghana</i> . Agricultural commodities. Agreement: Signed Feb. 9, 1979; with agreed minutes	3555
9412 <i>Haiti</i> . Trade in textiles and textile products. Agreement: Signed Dec. 28 and 29, 1978	3585
9413 <i>Haiti</i> . Trade in textiles and textile products. Agreement: Signed Feb. 8 and 16, 1979	3590
9414 <i>Canada</i> . Defense research and development. Memorandum of understanding: Signed Feb. 1, 1979	3595
9415 <i>Iran</i> . Revisions of Foreign Military Sales (FMS) letters of offer and acceptance. Memorandum of understanding: Signed Feb. 3, 1979 . .	3597
9416 <i>Zaire</i> . Finance (consolidation and rescheduling of certain debts). Agreement: Signed Feb. 7, 1979	3601
9417 <i>Union of Soviet Socialist Republics</i> . Deep sea drilling project. Memorandum of understanding: Signed Feb. 16 and 21, 1979	3620
9418 <i>Sri Lanka</i> . Agricultural commodities. Agreement: Signed Feb. 22, 1979. With related letter: Signed Feb. 15, 1979	3631
9419 <i>Mexico</i> . Trade in textiles and textile products. Agreement: Signed Feb. 26, 1979	3643

TIAS	Page
9420 <i>Colombia</i> . Aviation (jet fuel prices). Memorandum of agreement: Signed Feb. 22, 1979	3665
9421 <i>New Zealand</i> . Scientific and technical cooperation. Agreement: Signed Feb. 27, 1979	3676
9422 <i>Thailand</i> . Rural primary health care. Agreement: Signed May 4, 1979	3681
9423 <i>Multilateral</i> . Global weather experiment. Agreement: Signed Apr. 25, 1979; with protocol of execution and exchange of notes	3731
9424 <i>Mexico</i> . Shellfish sanitation. Memorandum of understanding: Signed Mar. 7, 1979	3764
9425 <i>Jordan</i> . Alien amateur radio operators. Agreement: Signed Feb. 6 and Mar. 11, 1979	3783
9426 <i>Federal Republic of Germany</i> . Express mail service. Agreement: Signed Dec. 15, 1978 and Jan. 22, 1979	3789
9427 <i>Republic of Korea</i> . Air transport services. Agreement: Signed Mar. 22, 1979. With exchange of letters: Signed Mar. 14 and 22, 1979; and related note	3823
9428 <i>Sri Lanka</i> . Trade (visa system for textile exports). Arrangement: Signed Mar. 12 and 23, 1979	3859
9429 <i>Suriname</i> . Criminal investigations. Agreement: Signed Mar. 14, 1979	3864
9430 <i>Jamaica</i> . Criminal investigations. Agreement: Signed Mar. 30, 1979	3868
9431 <i>Socialist Republic of Romania</i> . Air transport services. Agreement: Dated Jan. 25 and 30, 1979	3872
9432 <i>Republic of Korea</i> . Trade (color television receivers). Agreement: Signed Dec. 14, 1978 and Jan. 2 and Mar. 12, 1979	3880
9433 <i>Portugal</i> . Defense equipment. Memorandum of understanding: Signed Dec. 18, 1978 and Mar. 28, 1979	3892
9434 <i>Israel</i> . Defense equipment. Memorandum of agreement: Signed Mar. 19, 1979	3901
9435 <i>Bangladesh</i> . Agricultural commodities. Agreement: Signed Apr. 25, 1979; with agreed minutes and related letter	3912
9436 <i>Mexico</i> . Frequency modulation broadcasting. Agreements: Signed Mar. 20 and Nov. 9, 1978 and Feb. 2 and Apr. 24, 1979	3927
9437 <i>Egypt</i> . Agricultural commodities. Agreements: Signed Mar. 20, 1979 and July 10, 1979	3974
9438 <i>Jamaica</i> . Agricultural commodities. Agreements: Signed Mar. 7 and 29, 1979 and May 2, 1979 and July 5, 1979	3979
9439 <i>Multilateral</i> . Aviation (joint financing of certain air navigation services in Iceland and in Greenland and the Faroe Islands). Agreement: Adopted: Mar. 7, 1979	3990
9440 <i>New Zealand</i> . Certificates of airworthiness for imported aircraft. Agreement: Signed Mar. 16 and 30, 1979	3993
9441 <i>Egypt</i> . Criminal investigations. Agreement: Signed Nov. 29, 1978 . .	3996

TIAS	Page
9442 <i>Egypt</i> . Criminal investigations. Agreement: Signed Dec. 21, 1978 and Jan. 3, 1979	4005
9443 <i>Egypt</i> . Criminal investigations. Agreement: Signed Mar. 19 and Apr. 17, 1979	4007

INDEX

	Page		Page
Agriculture:		Aviation—Continued	
Bangladesh—		Certificates of airworthiness for	
Commodities—		imported aircraft, New	
Agreement	3912	Zealand	3993
Food for Development under Title III	3205	Jet fuel prices, Colombia	3665
Transfer under Title II	3063	Joint financing of certain air	
Commodities—		navigation services in Iceland and in Greenland and	
Agreements—		the Faroe Islands, multilateral	3990
Egypt	3974	Scheduled and nonscheduled air	
Ghana	3555	services, Jordan	2936
Israel	2896		
Jamaica	3979		
Jordan	2913		
Pakistan	2903		
Portugal	3247		
Sri Lanka	3631		
Transfer under Title II—			
Cape Verde	2128		
Chad	3132		
Ethiopia	3149	Fertilizer distribution improvement	3409
Mauritania	3067		
Niger	3077	Brazil, space research, sounding	
Peru	3141	rockets and balloons	3493
Senegal	3052	Broadcasting, frequency modulation, Mexico	3927
United Nations High Commissioner for Refugees	3138		
Human resources development,			
Upper Volta	3185		
Small farmer marketing, Guatemala	2699		
Air and naval bases, leased, United Kingdom	2683		
Alien amateur radio operators, Jordan	3783		
Amendments to the Schedule to the International Whaling Convention of 1946, whaling, multilateral	2852		
Aviation:			
Air transport services—			
Korea, Republic of	3823	Aviation, jet fuel prices	3665
Romania	3872	Scientific and technical cooperation in Earth sciences	3548
Yugoslavia	2817		
Colombia:			
Aviation, jet fuel prices	3665		
Scientific and technical cooperation in Earth sciences	3548		

INDEX

Page	Page		
Color television receivers, trade, Korea, Republic of	3880	Economic aid—Continued Rural health improvement, Niger.	3083
Criminal investigations: Egypt	3996, 4005, 4007	Education, Israel	2858
Germany, Federal Republic of .	3533	Egypt: Agricultural commodities . . .	3974
Jamaica	3868	Criminal investigations . . .	3996,
Japan.	3473	4005, 4007	
Suriname	3864	National energy control center .	2891
Togo	3477	Erching, operation of radio instal- lation, agreement with Ger- many, Federal Republic of .	3540
Cultural Cooperation, United States-Mexican Commission, agreement with Mexico . . .	2932	Ethiopia, agricultural commodi- ties, transfer under Title II .	3149
Debts, consolidation and resched- uling, finance agreement with: Turkey	2723	Express mail service: China, Republic of	3277
Zaire	3511, 3601	Germany, Federal Republic of .	3789
Deep sea drilling project: Soviet Union	3620	Hong Kong	3427
United Kingdom	3551	Singapore.	3383
Defense: Canada— OMEGA Navigational Sta- tions	2840	United Kingdom	3357
Research and development .	3595	Family planning, Indonesia . . .	3339
Equipment— Israel	3901	Faroe Islands, joint financing of certain air navigation services, aviation agreement, multi- lateral	3990
Portugal	3892	Fertilizer distribution improve- ment, Bangladesh	3409
Iran— Military mission	3502	Finance: Consolidation and rescheduling of certain debts— Turkey	2723
Revisions of Foreign Military Sales (FMS) letters of offer and acceptance .	3597	Zaire	3511, 3601
Leased naval and air bases, United Kingdom	2683	Family planning, Indonesia . .	3339
Prefinancing of NATO projects, Netherlands	2885	National energy control center .	2891
Stationing of training compo- nents, Germany, Federal Republic of	2671	Peru— Development— Rural	2793
Development: Agricultural human resources, Upper Volta	3185	Sub-tropical lands	3303
Defense research, Canada . . .	3595	Philippines— Panay unified services for health	3153
Peru— Rural	2793	Real property tax administra- tion	2763
Sub-tropical lands	3303	Primary rural health care, Thai- land	3681
Earth sciences, scientific and tech- nical cooperation, Colombia .	3548	Small farmer marketing, Guate- mala	2699
Economic aid: Agricultural human resources development, Upper Volta .	3185	Supplementary financing facil- ity, International Monetary Fund	3526
Fertilizer distribution improve- ment, Bangladesh	3409	Food for Development under Title III, agricultural commodities agreement with Bangladesh .	3205

INDEX

xi

Page		Page	
Foreign Military Sales (FMS), revisions, letters of offer and acceptance, Iran	3597	Iran:	
Frequency modulation broadcasting, Mexico	3927	Military mission	3502
Germany, Federal Republic of:		Revisions of Foreign Military Sales (FMS) letters of offer and acceptance	3597
Criminal investigations	3533	Israel:	
Defense, stationing of training components	2671	Agricultural commodities	2896
Express mail service	3789	Defense equipment	3901
Operation of radio installation at Erching	3540	Education	2858
Ghana, agricultural commodities	3555	Jamaica:	
Global weather experiment, multilateral	3731	Agricultural commodities	3979
Great Britain. <i>See</i> United Kingdom.		Criminal investigations	3868
Greenland, joint financing of certain air navigation services, aviation, multilateral	3990	Japan, criminal investigations	3473
Guatemala, small farmer marketing	2699	Jordan:	
Haiti, trade in textiles and textile products	3585, 3590	Agricultural commodities	2913
Health:		Alien amateur radio operators	3783
Family planning, Indonesia	3339	Scheduled and nonscheduled air services	2936
Panay unified services, Philippines	3153	Judicial aid:	
Rural—		Egypt	3996, 4005, 4007
Care, primary, Thailand	3681	Germany, Federal Republic of	3533
Improvement, Niger	3083	Jamaica	3868
Sector rehabilitation, Lebanon	3267	Japan	3473
Shellfish sanitation—		Suriname	3864
Iceland	2873	Togo	3477
Mexico	3764	Korea, Republic of:	
Honduras, hydrographic and nautical cartography	3453	Air transport services	3823
Hong Kong, express mail service	3427	Trade, color television receivers	3880
Human resources development, agricultural, Upper Volta	3185	Lands development, sub-tropical, Peru	3303
Iceland:		Leased naval and air bases, United Kingdom	2683
Joint financing of certain air navigation services, aviation, multilateral	3990	Lebanon, health sector rehabilitation	3267
Shellfish sanitation	2873	Letters of offer and acceptance, revisions of Foreign Military Sales (FMS), Iran	3597
Indonesia, family planning	3339	Mail service, express:	
International Monetary Fund, supplementary financing facility	3526	China, Republic of	3277
International Whaling Convention of 1946, amendments to the Schedule, whaling, multilateral	2852	Germany, Federal Republic of	3789
		Hong Kong	3427
		Singapore	3383
		United Kingdom	3357
		Mapping, hydrographic and nautical cartography, Honduras	3453
		Marketing, small farmer, Guatemala	2699
		Mauritania, agricultural commodities, transfer under Title II	3067
		Meat imports, trade, multilateral	2943

INDEX

Page		Page																																																																																																																
Meteorology:																																																																																																																		
Global weather experiment, multilateral	3731	Oceanography:																																																																																																																
Space research, sounding rockets and balloons, Brazil	3493	Deep sea drilling project—			Frequency modulation broad- casting	3927	Soviet Union	3620	Global weather experiment, multilateral agreement . .	3731	United Kingdom.	3551	Shellfish sanitation	3764	OMEGA Navigational Stations, agreement with Canada . . .	2840	Trade in textiles and textile products	3643	Operation of radio installation at Erching, agreement with Germany, Federal Republic of	3540	United States-Mexican Commission on Cultural Cooperation	2932	Pakistan, agricultural commodi- ties	2903	Military mission, agreements with Iran	3502	Peace Corps, agreement with Tanzania	3486	Multilateral treaties, agreements, etc.:			Aviation, joint financing of cer- tain air navigation services in Iceland and in Green- land and the Faroe Islands.	3990	Peru:	Global weather experiment . .	3731	Agricultural commodities, trans- fer under Title II	3141	Trade, meat imports	2943	Rural development.	2793	Whaling, amendments to the Schedule to the Interna- tional Whaling Convention of 1946	2852	Sub-tropical lands development.	3303	National energy control center, Egypt	2891	Philippines:	Nautical and hydrographic cartog- raphy, Honduras	3453	Panay unified services for health	3153	Naval and air bases, leased, United Kingdom	2683	Real property tax administra- tion	2763	Navigational Stations, OMEGA, agreement with Canada . .	2840	Portugal:	Netherlands, defense, prefincing of NATO projects	2885	Agricultural commodities	3247	New Zealand:		Defense equipment.	3892	Certificates of airworthiness for imported aircraft	3993	Prefinancing of NATO projects, defense agreement with Netherlands.	2885	Scientific and technical coopera- tion	3676	Niger:		Agricultural commodities, trans- fer under Title II	3077	Radio:	Rural health improvement . .	3083	Installation at Erching, opera- tion, agreement with Ger- many, Federal Republic of .	3540	Nonscheduled and scheduled air services, Jordan	2936	Operators, alien amateur, Jor- dan	3783	Real property tax administration, Philippines			Relations, cultural, United States- Mexican Commission on Cul- tural Cooperation, agreement with Mexico			Revisions of Foreign Military Sales (FMS), letters of offer and acceptance, Iran			Romania, air transport services .			Rural:			Development, Peru			Health—			Care, primary, Thailand			Improvement, Niger		
Deep sea drilling project—																																																																																																																		
Frequency modulation broad- casting	3927	Soviet Union	3620																																																																																																															
Global weather experiment, multilateral agreement . .	3731	United Kingdom.	3551																																																																																																															
Shellfish sanitation	3764	OMEGA Navigational Stations, agreement with Canada . . .	2840																																																																																																															
Trade in textiles and textile products	3643	Operation of radio installation at Erching, agreement with Germany, Federal Republic of	3540																																																																																																															
United States-Mexican Commission on Cultural Cooperation	2932	Pakistan, agricultural commodi- ties	2903																																																																																																															
Military mission, agreements with Iran	3502	Peace Corps, agreement with Tanzania	3486																																																																																																															
Multilateral treaties, agreements, etc.:																																																																																																																		
Aviation, joint financing of cer- tain air navigation services in Iceland and in Green- land and the Faroe Islands.	3990	Peru:																																																																																																																
Global weather experiment . .	3731	Agricultural commodities, trans- fer under Title II	3141																																																																																																															
Trade, meat imports	2943	Rural development.	2793																																																																																																															
Whaling, amendments to the Schedule to the Interna- tional Whaling Convention of 1946	2852	Sub-tropical lands development.	3303																																																																																																															
National energy control center, Egypt	2891	Philippines:																																																																																																																
Nautical and hydrographic cartog- raphy, Honduras	3453	Panay unified services for health	3153																																																																																																															
Naval and air bases, leased, United Kingdom	2683	Real property tax administra- tion	2763																																																																																																															
Navigational Stations, OMEGA, agreement with Canada . .	2840	Portugal:																																																																																																																
Netherlands, defense, prefincing of NATO projects	2885	Agricultural commodities	3247																																																																																																															
New Zealand:		Defense equipment.	3892																																																																																																															
Certificates of airworthiness for imported aircraft	3993	Prefinancing of NATO projects, defense agreement with Netherlands.	2885																																																																																																															
Scientific and technical coopera- tion	3676																																																																																																																	
Niger:																																																																																																																		
Agricultural commodities, trans- fer under Title II	3077	Radio:																																																																																																																
Rural health improvement . .	3083	Installation at Erching, opera- tion, agreement with Ger- many, Federal Republic of .	3540																																																																																																															
Nonscheduled and scheduled air services, Jordan	2936	Operators, alien amateur, Jor- dan	3783																																																																																																															
Real property tax administration, Philippines																																																																																																																		
Relations, cultural, United States- Mexican Commission on Cul- tural Cooperation, agreement with Mexico																																																																																																																		
Revisions of Foreign Military Sales (FMS), letters of offer and acceptance, Iran																																																																																																																		
Romania, air transport services .																																																																																																																		
Rural:																																																																																																																		
Development, Peru																																																																																																																		
Health—																																																																																																																		
Care, primary, Thailand																																																																																																																		
Improvement, Niger																																																																																																																		

INDEX

xiii

Page		Page	
Scheduled and nonscheduled air services, Jordan	2936	Trade—Continued Meat imports, multilateral agreement	2943
Scientific and technical cooperation:		Textiles and textile products— Haiti	3585, 3590
Earth sciences, Colombia	3548	Mexico	3643
New Zealand	3676	Visa system for textile exports, Sri Lanka	3859
Senegal, agricultural commodities, transfer under Title II . . .	3052	Transfer under Title II, agricultural commodities agreements. <i>See under Agriculture.</i>	
Shellfish sanitation:		Turkey, finance, consolidation and rescheduling of certain debts .	2723
Iceland	2873	Union of Soviet Socialist Republics. <i>See Soviet Union.</i>	
Mexico	3764	United Kingdom:	
Singapore, express mail service . .	3383	Deep sea drilling project	3551
Small farmer marketing, Guatema- mala	2699	Express mail service	3357
Soviet Union, deep sea drilling project	3620	Leased naval and air bases	2683
Space research, sounding rockets and balloons, Brazil	3493	United Nations High Commissioner for Refugees, agricultural commodities, transfer under Title II	3138
Sri Lanka:		United States-Mexican Commission on Cultural Cooperation, agreement with Mexico	2932
Agricultural commodities	3631	Upper Volta, agricultural human resources development	3185
Trade, visa system for textile exports	3859	Visa system for textile exports, trade, Sri Lanka	3859
Stationing of training components, defense agreement with Germany, Federal Republic of . .	2671	Water:	
Sub-tropical lands development, Peru	3303	Deep sea drilling project— Soviet Union	3620
Supplementary financing facility, International Monetary Fund	3526	United Kingdom	3551
Suriname, criminal investigations . .	3864	Hydrographic and nautical cartography, Honduras . .	3453
Tanzania, Peace Corps	3486	Weather experiment, global, multilateral	3731
Tax administration, real property, Philippines	2763	West Germany. <i>See Germany, Federal Republic of.</i>	
Technical and scientific cooperation:		Whaling, amendments to the Schedule to the International Whaling Convention of 1946, multilateral	2852
Earth sciences, Colombia	3548	Yugoslavia, air transport services .	2817
New Zealand	3676	Zaire, finance, consolidation and rescheduling of certain debts .	3511, 3601
Telecommunications:			
Alien amateur radio operators, Jordan	3783		
Frequency modulation broadcasting, Mexico	3927		
Operation of radio installation at Erching, agreement with Germany, Federal Republic of	3540		
Thailand, rural primary health care	3681		
Togo, criminal investigations . .	3477		
Trade:			
Color television receivers, Korea, Republic of	3880		

FEDERAL REPUBLIC OF GERMANY

Defense: Stationing of Training Components

*Agreement signed at Bonn and Washington May 24 and
July 6, 1977;
Entered into force July 6, 1977.*

Agreement

between

The Department of Defense of the United States of America, referred to as--
"DOD"

and

The Federal Minister of Defense of the Federal Republic of Germany, referred
to as--"FMOD"

on

the Stationing of Training Components of the FMOD in the United States of
America (Stationing Agreement)

Preamble

Pursuant to the Mutual Defense Assistance Agreement signed on 30 June 1955^[1]
between the Government of the United States of America and the Government of
the Federal Republic of Germany, the DOD will permit the stationing of FMOD
training components in the United States of America under the terms and
conditions set forth hereinafter.

Article 1

1. The DOD agrees to permit the stationing of the following FMOD training
components in the United States of America as follows:

-- German Air Force Training Command at Fort Bliss, Texas.

-- German Air Force Air Defense School at Fort Bliss, Texas.

-- Accredited German Air Force liaison personnel at Fort Sill, Oklahoma,
and Redstone Arsenal, Huntsville, Alabama.

2. Conditions and details of the training components stationing, applicable
to the FMOD, are outlined in Annex A to this Agreement.

3. Conditions and details of the training components stationing, applicable
to the DOD, are outlined in Annex B to this Agreement.

^[1] TIAS 3443; 6 UST 5999.

Article 2

1. The FMOD will reimburse the US Army for all costs incurred by the operation of the training components.
2. The settlement of payments will be in accordance with the provisions of the US Arms Export Control Act.^[1] Conditions of the sale are as set forth in an annual Foreign Military Sales Case (DD Form 1513) to be rendered and accepted prior to 1 January of each year. Payment will be made by the FMOD in US dollars as specified in the US Department of Defense Letter of Offer and Acceptance (DD Form 1513).

Article 3

The provisions of the NATO Status of Forces Agreement of 19 June 1951^[2] shall apply to this Agreement.

Article 4

1. This Agreement shall become effective when signed by representatives of both parties to the Agreement and shall remain in effect until terminated by either party.
2. If this Agreement is cancelled by either party the terms and conditions of the current DD Form 1513 will be applicable to the termination.
3. Amendments to this Agreement may be made at any time by mutual agreement of the signatory parties.

¹ 82 Stat. 1320; 22 U.S.C. § 2751 note.

² TIAS 2846, 5351, 7759; 4 UST 1792; 14 UST 531; 24 UST 2355.

Done in

Washington, 6 July 1977
(date)

Bonn, 24. Mai 1977
(date)

In two originals, each in the English and German languages, both texts being
equally authoritative.

H. M. Fish [¹]

For the Department of Defense
of the United States of America

Backes, [²]

For the Federal Minister of
Defense of the Federal Republic
of Germany

¹ H. M. Fish.
² Backes.

ANNEX A

FMOD OBLIGATIONS

1. The German Air Force Training Command at Fort Bliss will be responsible for administrative functions, in particular for executing and monitoring the tactical and technical training and advanced training of all officers and enlisted personnel of the German Air Force (GAF) at the training facilities in the United States.
2. The German Air Force Air Defense School (GAFADS) at Fort Bliss will be responsible for:
 - a. The conduct of specialized training at Fort Bliss for combat crews of German Nike and Hawk surface-to-air missile units.
 - b. The performance of administrative support functions at Fort Bliss, Fort Sill, and Redstone Arsenal insofar as such functions are performed to support servicemen of the German Air Force who attend courses of instruction on the Nike, Hawk, and Pershing systems under US sponsorship in US Army training facilities.
3. The FMOD will arrange and pay emoluments, travel, and moving costs for all concerned German personnel. Moreover, the FMOD will arrange and pay for the transfer of the remains of members of the German Air Force to the Federal Republic of Germany.
4. Accreditation requests for each German Air Force liaison individual at Fort Sill and Redstone Arsenal will be submitted to the US Department of the Army in accordance with established US Army accreditation procedures prior to stationing each liaison member at said locations.

ANNEX B

DOD OBLIGATIONS

The DOD will on a reimbursable basis and in accordance with DOD regulations render the following services for the benefit of German Air Force personnel and the operation of the training facilities:

- a. Provide, on an adequate scale, open space, buildings, office space, and office equipment (except consumables). German use of the structures at Fort Bliss is in accordance with Article IX (paragraph 3) of the Status of Forces Agreement. No interest in realty will be acquired by the FRG under this Agreement.
- b. Insofar as capability exists, provide organizational and logistic support for the operation of the training facilities.
- c. Where available, provide billets of the same type and subject to the same procedures as for US officers and enlisted men of comparable rank; should adequate billets not be available, the US Army will assist the German Air Force personnel in obtaining accommodations.
- d. Provide medical and dental support for German Air Force personnel of the type and scope rendered to US Army officers and enlisted personnel of comparable rank; provide medical support, as available, for dependents of German Air Force personnel of the type and scope rendered US military dependents.
- e. Permit the use of US commissaries and nonappropriated fund organizations, by German military personnel when on duty with the United States Armed Forces, and their dependents, under the terms and conditions applicable to US Army officers and enlisted personnel of comparable rank.

Vereinbarung

zwischen

dem Verteidigungsministerium der Vereinigten
Staaten von Amerika,
nachstehend als "DOD" bezeichnet,

und

dem Bundesminister der Verteidigung der
Bundesrepublik Deutschland,
nachstehend als "BMVg" bezeichnet,

über

die Stationierung von Ausbildungskomponenten des BMVg in den
Vereinigten Staaten von Amerika (Stationierungsvereinbarung)

Präambel

Aufgrund der am 30. Juni 1955 zwischen der Regierung der Vereinigten Staaten von Amerika und der Regierung der Bundesrepublik Deutschland abgeschlossenen Vereinbarung über gegenseitige Verteidigungshilfe wird das DOD die Stationierung von Ausbildungskomponenten des BMVg in den Vereinigten Staaten von Amerika nach den im folgenden beschriebenen Bedingungen gestatten.

Artikel 1

1. Das DOD erklärt sich bereit, die Stationierung der folgenden Ausbildungskomponenten des BMVg in den Vereinigten Staaten von Amerika nach folgendem Plan zu gestatten:
 - Ausbildungskommando der deutschen Luftwaffe (German Air Force Training Command) in Fort Bliss, Texas;
 - Luftverteidigungsschule der deutschen Luftwaffe (German Air Force Air Defense School) in Fort Bliss, Texas;

- akkreditiertes Verbindungspersonal der deutschen Luftwaffe in Fort Sill, Oklahoma, und Redstone Arsenal, Huntsville, Alabama.
- 2. Die für den BMVg geltenden Bedingungen und Einzelheiten der Stationierung von Ausbildungskomponenten sind in Anhang A zu dieser Vereinbarung beschrieben.
- 3. Die für das DOD geltenden Bedingungen und Einzelheiten der Stationierung von Ausbildungskomponenten sind in Anhang B zu dieser Vereinbarung beschrieben.

Artikel 2

- 1. Der BMVg erstattet dem US-Heer alle durch den Betrieb der Ausbildungskomponenten entstehenden Kosten.
- 2. Die Abwicklung der Zahlungen erfolgt nach den Bestimmungen des amerikanischen Gesetzes über Waffenexportkontrolle (US Arms Export Control Act). Die Verkaufsbedingungen sind die gleichen wie im jährlichen Foreign Military Sales Case (DD Form 1513) festgelegt, der vor dem 1. Januar eines jeden Jahres vorgelegt und angenommen werden muß. Die Zahlungen durch den BMVg sind in US-Dollar gemäß den Bestimmungen des Letter of Offer and Acceptance (DD Form 1513) des DOD zu leisten.

Artikel 3

Diese Vereinbarung unterliegt den Bestimmungen des NATO-Truppenstatuts vom 19. Juni 1951.

Artikel 4

- 1. Diese Vereinbarung tritt mit der Unterzeichnung durch Vertreter beider Vertragsparteien in Kraft und bleibt so lange wirksam, bis sie von einer der beiden Parteien gekündigt wird.

2. Falls diese Vereinbarung durch eine der beiden Parteien gekündigt wird, gelten hierfür die Bedingungen des jeweils gültigen DD Form 1513.
3. Diese Vereinbarung kann jederzeit nach gegenseitiger Vereinbarung der Unterzeichnerparteien geändert oder ergänzt werden.

Geschehen zu

Washington, 6 July 1977
(Datum)

Bonn, 24. Mai 1977
(Datum)

in zwei Urschriften, jede in englischer und deutscher Sprache,
wobei jeder Wortlaut gleichermaßen verbindlich ist.

Ron Teil
Für das Verteidigungs-
ministerium der Vereinigten
Staaten von Amerika

Bunke
Für den Bundesminister der
Verteidigung der Bundesrepublik
Deutschland

Anhang AVERPFLICHTUNG DES BMVG

1. Das Ausbildungskommando der deutschen Luftwaffe in Fort Bliss wird für alle administrativen Aufgaben, insbesondere für die Durchführung und Überwachung der taktischen und technischen Ausbildung und Weiterbildung aller Offiziere, Mannschaften und Unteroffiziere der deutschen Luftwaffe in den Ausbildungseinrichtungen in den Vereinigten Staaten verantwortlich sein.
2. Die Luftverteidigungsschule der deutschen Luftwaffe (GAFADS) in Fort Bliss wird verantwortlich sein für:
 - a. die Durchführung der Sonderausbildung von Kampfbesatzungen der deutschen NIKE- und HAWK-Boden/Luft-Flugkörperverbände in Fort Bliss,
 - b. die Wahrnehmung administrativer Aufgaben in Fort Bliss, Fort Sill und Redstone Arsenal, insoweit als diese Aufgaben der Unterstützung von Soldaten der deutschen Luftwaffe dienen, die von den Vereinigten Staaten in Ausbildungseinrichtungen des US-Heeres veranstaltete Lehrgänge über die System NIKE, HAWK und PERSHING besuchen.
3. Der BMVg regelt und bezahlt für sämtliches betroffenes deutsches Personal Bezüge, Reise- und Umzugskosten. Außerdem übernimmt der BMVg die Regelung und Bezahlung der Überführung der sterblichen Überreste von Mitgliedern der deutschen Luftwaffe in die Bundesrepublik Deutschland.
4. Für jedes einzelne Mitglied des Verbindungspersonals der deutschen Luftwaffe in Fort Sill und Redstone Arsenal ist vor der Stationierung an den genannten Orten gemäß den festgelegten Akkreditierungsverfahren ein Antrag auf Akkreditierung beim US-Heeresministerium zu stellen.

Anhang BVERPFLICHTUNGEN DES DOD

Das DOD wird gegen Kostenerstattung und in Übereinstimmung mit den Vorschriften des DOD folgende Dienstleistung zugunsten des Personals der deutschen Luftwaffe und für den Betrieb der Ausbildungseinrichtungen erbringen:

- a. Es stellt freie Flächen, Gebäude, Büroräume und Bürogeräte (mit Ausnahme von verbrauchbarem Material) in ausreichendem Umfange zur Verfügung. Die Nutzung der Bauten in Fort Bliss durch die Deutschen unterliegt den Bestimmungen des Artikels IX (Absatz 3) des NATO-Truppenstatuts. Im Rahmen dieser Vereinbarung wird seitens der Bundesrepublik Deutschland kein Anteil an Liegenschaften erworben.
- b. Soweit die Kapazität vorhanden ist, leistet das DOD organisatorische und logistische Unterstützung für den Betrieb der Ausbildungseinrichtungen.
- c. Soweit verfügbar, stellt das DOD Unterkünfte der gleichen Art und nach den gleichen Verfahren wie für Offiziere, Mannschaften und Unteroffiziere vergleichbaren Rangs des US-Heeres zur Verfügung; sollten angemessene Unterkünfte nicht verfügbar sein, wird das US-Heer dem Personal der deutschen Luftwaffe bei der Beschaffung von Unterkünften behilflich sein.
- d. Das DOD übernimmt die ärztliche und zahnärztliche Versorgung des Personals der deutschen Luftwaffe in der gleichen Art und im gleichen Umfang, wie sie Offizieren, Mannschaften und Unteroffizieren vergleichbaren Rangs des US-Heeres zuteil wird; es übernimmt, soweit verfügbar, die ärztliche Versorgung auch der Angehörigen des Personals der deutschen Luftwaffe in der gleichen Art und im gleichen Umfang, wie sie den Angehörigen von US-Soldaten gewährt wird.

- e. Das DOD gestattet die Benutzung der US-Einkaufsstätten und nicht mit Haushaltsmitteln arbeitenden Organisationen durch deutsches militärisches Personal, solange dieses bei den US-Streitkräften Dienst tut, sowie durch dessen Angehörige, und zwar nach den gleichen Bedingungen, wie sie für Offiziere, Mannschaften und Unteroffiziere vergleichbaren Rangs des US-Heeres gelten.

UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND

Leased Naval and Air Bases

*Agreement amending and supplementing the agreement
of March 27, 1941, as amended.*

Effectuated by exchange of notes

Signed at Washington December 5 and 6, 1978;

Entered into force December 6, 1978.

The Secretary of State to the British Ambassador

DECEMBER 5, 1978

EXCELLENCY.

I have the honor to refer to the Agreement of March 27, 1941, as amended,^[1] between the United States of America and the United Kingdom, regarding leased naval and air bases, and to the related lease and other arrangements regarding the establishment, use, operation and defense of United States naval and air bases on Bermuda.

Discussions between officials of the Government of the United States and the Government of Bermuda have identified certain lands now within the leased area on Bermuda which no longer are required for the United States' purposes. These discussions have also identified certain other lands and facilities which are not now required for such purposes, but which may be required in the future.

As the result of these discussions, and having consulted the Government of Bermuda, I have the honor to propose the following set of arrangements to make these lands and facilities available for use by the Government of Bermuda and to provide for the future operation of other facilities of mutual interest:

I. The Government of the United States hereby gives notice of its intention to abandon the portions of the leased area in Bermuda referred to below,^[2] in accordance with Article XXI of the Agreement of March 27, 1941. Notwithstanding the one-year minimum notice requirement provided for by that Article, I propose that this notice

¹ EAS 235, TIAS 2105; 55 Stat. 1560; 1 UST 585.

² Notice of abandonment was given Dec. 8, 1978.

shall become effective upon the date on which detailed descriptions of the lands to be abandoned shall be transmitted by the Government of the United States to the Government of Bermuda.

The locations of the lands subject to this notice are delineated on the maps attached to this note as Appendix I and particularly described in Appendix 1-A^[1]. These lands include:

- A. 5.30 acres, more or less, at the southwest corner of the Naval Air Station Annex;
- B. .015 acres, more or less, at Her Majesty's Dockyard;
- C. .34 acres, more or less, at Daniels Head;
- D. .32 acres, more or less, at Mount Hill;
- E. 1.475 acres, more or less, at Cemetery Hill, which includes right of way of .125 acres;
- F. .98 acres at Skinner's Hill which includes .05 acres access.

II. Notwithstanding Article XXIII of the Agreement of March 27, 1941, I propose that the following lands and facilities located within the leased area be made available by the United States to the Government of Bermuda or to entities or persons designated by that Government for the purposes specified herein or for such other purposes as may be agreed by the competent United States and Bermudian authorities. These lands and facilities shall be made available pursuant to agreements (hereinafter referred to as "Subleases") for such periods and upon such terms and conditions, as may be agreed by the competent United States and Bermudian authorities. The locations of these lands and facilities are delineated on the maps attached to this note as Appendix II. These lands and facilities include:

- A. A portion of building A-25 at the Naval Air Station Annex, for the purpose of establishing a fish processing facility sufficient for processing products and retail outlets, the storage of inventory and supplies, and for sales to registered fisherman together with access for vessels and vehicles delivering or receiving cargo and supplies in connection with the operation of the fish processing facility;
- B. Such other facilities at the Naval Air Station Annex as the competent United States and Bermudian authorities may agree upon;
- C. 25 acres, more or less, of land and improvements at the east end of the Naval Air Station Annex peninsula;
- D. Lands sufficient for the creation of two short taxiways and limited apron extensions at the Civil Air Terminal; and
- E. Causeway and Ferry Reach/Stokes Harbour foreshore together with the roadway extending from the Longbird Bridge to, but not including, the Naval Air Station Bermuda small boat basin.

¹ For maps, see pocket at the back of this part.

In connection with the subleasing of the lands and facilities described in paragraphs A, B and C above, the competent United States authorities shall convert Constitution Road in the Naval Air Station Annex to a joint-use artery to provide access to the subleased properties.

With regard to the subleasing of the lands and facilities described in paragraphs D and E above, no new construction or modification of existing structures shall be carried out in such a way as to preclude the use of the airfield runway. Nor shall any structure or building be erected which would be an obstruction to air navigation at a military airfield in violation of the standards set forth in subpart C—"Obstruction Standards", of part 77 of the Regulations of the United States Federal Aviation Administration (14 Code of Federal Regulations 77.21 to 77.29), as the same shall be amended.

The sublease provided for in paragraph D, above, shall provide for the assumption by the Government of Bermuda of responsibility for maintenance and repair of taxiways and aprons and for grounds maintenance and upkeep within the area between the Civil Air Terminal, the Western and Northern perimeter fence and Easterly to the junction of taxiway 11 with runway 8-26.

Except as provided below, the subleases contemplated by Subsections C, D and E of this Section shall be effective up to and including the date on which the Agreement of March 27, 1941 is terminated. All subleases shall be subject to the condition that the United States may resume full and exclusive occupancy of the whole or such part thereof as it may require, immediately in the event of War or National Emergency, and otherwise as mutually agreed.

III. I further propose that the Government of Bermuda shall assume total responsibility for maintenance and operation of Kindley Field Road and its causeway; for Ferry Reach Channel; for five Dundonald Channel Markers in the Great Sound; and for the operation (including operator maintenance in accordance with procedures to be agreed by the competent United States and Bermudian authorities) of the Longbird Bridge. The United States shall remain responsible for all maintenance except operator maintenance of the Longbird Bridge.

The use of lands made available pursuant to this note shall not be considered to diminish in any way the military nature and importance of the United States Naval Air Station. Except as expressly provided herein, these arrangements shall not, in any manner, derogate from the provisions of the Agreement of March 27, 1941, as amended.

If the foregoing proposals are acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland, I have the honor to propose that this note, together with Your Excellency's confirming reply, shall constitute an agreement amending and supplementing the Agreement of March 27, 1941, as amended, which will enter into force upon the date of Your Excellency's reply.

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

For the Secretary of State:

RICHARD D. VINE

Enclosures:

1. Appendix I
2. Appendix I-A
3. Appendix II

His Excellency

PETER JAY,

British Ambassador.

Southwest Corner of the Naval Air Station Annex

Commencing at the Southwest corner of Building Number A248 (Pumping Station) of the U.S. Naval Air Station, Bermuda Annex, the point of beginning; thence South 21 degrees 20 minutes East, a distance of 510 feet, more or less, to the true point of beginning; thence South 24 degrees 30 minutes East, a distance of 335 feet, more or less; thence South 60 degrees 35 minutes West, a distance of 690 feet, more or less; thence North 25 degrees 50 minutes West, a distance of 85 feet, more or less; thence North 57 degrees 10 minutes East, a distance of 30 feet, more or less; thence North 28 degrees 10 minutes West, a distance of 365 feet, more or less; thence North 70 degrees 30 minutes East, a distance of 685 feet, more or less, to the true point of beginning; containing 5.3 acres more or less.

APPENDIX 1A

Her Majesty's Dockyard Ireland Island**Metes and Bounds Description**

BEGINNING at a point in line with the north west line of a parapet wall of fort on the said island the said point being located N 55°32'10" W five hundred eighty five (585) feet from the government triangulation station known as "Casemates Triangulation Station" thence along the line of the said wall N 61°59'30" W twenty four and six hundred twenty seven thousandths (24.627) feet to a point in the said wall thence continuing along said line on a curve to the left with a radius of nine and twenty five hundredths (9.25) feet a distance of twenty nine and forty five thousandths (29.045) feet to a point in said wall thence S 49°14'00" E twenty four and six hundred twenty seven thousandths (24.627) feet to a point in said wall thence N 33°49'15" E twenty three and nine hundred thirteen thousandths (23.913) feet to the point of beginning.

Also the full free and unrestricted right and liberty of way and passage over and across a path or roadway extending approximately 480 feet easterly from the area herein before described to a monument PWD 34 BDA extending approximately 240 feet southerly along perimeter of existing catchment area thence approximately 320 feet along the fuel storage tank boundary that runs easterly to the said public road and the full free and unrestricted right to construct maintain and operate any and all electric power telegraph and telephone lines and poles and any other structures or conduits to carry such lines above or below ground which may be desired by the Government of the United States.

Copy.

28978 (COPY)

(AN 1014/3/45).

Daniels Head Property

Schedule

ALL THAT CERTAIN parcel of tract of land at or near a point known as Daniels Head situate on Somerset Island in Sandys Parish, Bermuda, CONTAINING THIRTY FOUR ONE HUNDREDTHS (0.34) ACRES, more or less, bounded and described as follows, to wit:

BEGINNING at a point on lands of the British Admiralty, said point being located four hundred five (405.0) feet more or less, northerly (measured at right angles to the south line of said British Admiralty land) from a point located one hundred eighty-two (182.00) feet more or less easterly in the prolongation of said south boundary line from a concrete monument in said line, said monument being located approximately twelve (12.00) feet east of the intersection of said south line with the Waters of the Atlantic Ocean; THENCE from said point of beginning, N. 45°00' E., one hundred fifty (150.0) feet to a point in said land; thence, S. 45°00' E., one hundred (100.0) feet to a point in said land; thence, S. 45°00' W., one hundred fifty (150.0) feet to a point in said land; thence, N. 45°00' W., one hundred (100.0) feet to point of beginning.

ALSO the full and free and unrestricted right and liberty of way and passage and the full and free and unrestricted right to construct, maintain and operate any or all electric power, telegraph and telephone lines which may be desired by the grantee herein, his successors or assigns, over and upon a roadway which now exists and extends from the north east line of the above described land easterly to the public road.

OR HOWEVER OTHERWISE the said lands may be bounded, may measure or ought to be described, together with all appurtenances thereunto belonging.

(COPY)

Metes and Bounds**Mount Hill**

ALL THAT CERTAIN parcel or tract of land on a hill known as Mount Hill situated on St. David's Island in St. George's Parish, Bermuda, **CONTAINING THIRTY-TWO ONE HUNDRETHS (0.32) ACRES**, more or less bounded and described as follows, to-wit:

BEGINNING at a point in the west line to lands of Alexander Colin Campbell corner to lands of William Fox and to lands of the Colonial Government of Bermuda; thence, along the line to lands of the said William Fox, to lands of Cecil C. O'Connor, and also to lands of the said Colonial Government of Bermuda S 59 deg 34 min 15 sec West one hundred forty and no one hundredths (140.00) feet to a point in said line; thence, through lands of the said Colonial Government of Bermuda of which the lands herein described are a part N 25 deg 41 min 44 sec W one hundred and no one hundredths (100.00') feet to a point in said land and N 59 deg 34 min 15 sec E one hundred forty and no one hundredths (140.00') feet to a point in the line to lands of the said Colonial Government of Bermuda and to lands of the said Alexander Colin Campbell; thence, along said line S 25 deg 41 min 44 sec E one hundred and no one hundredths (100.00') feet to point of beginning.

Also the full, free and unrestricted right and liberty of way and passage, and the full, free and unrestricted right to construct, maintain and use any or all electric power, telephone and telegraph lines which may be desired over and upon two roadways which now exist, extending northerly and northwesterly from the north line to the lands hereinabove described to the public road.

Also the right to install, maintain and use any or all guy wires deemed necessary, said guy wires to extend from towers erected or to be erected on the lands hereinabove described into lands now of the Colonial Government of Bermuda adjoining on the northwest and the southwest, said guy wires not to extend over fifty (50') feet beyond the limits of the land above described and not to touch any structures now in existence on the adjoining land.

UNDER AND SUBJECT to easement in right of way twelve (12') feet wide over and across the lands hereinabove described; said right of way being a roadway as it now exists extending from northwest to southeast across the northeast portion of said land.

Cemetery Hill**Metes and Bounds**

ALL THAT CERTAIN parcel or tract of land situated in St. George's Island, in the Parish of St. George, in the Islands of Bermuda CONTAINING ONE AND THIRTY FIVE ONE HUNDREDTHS (1.35) ACRES, more or less bounded and described as follows, to wit;

BEGINNING at a point in the line to lands of Bermuda Development Company Limited, corner to lands of the Imperial Government and also to lands of the Corporation of St. George's; thence, through lands of the said Bermuda Development Company Limited, of which the lands herein described are a part via four lines described as follows; S 65 deg 07 min 43 sec W one hundred seventy eight and nine one hundredths (178.09') feet to a point in said land; thence, N 41 deg 05 min 13 sec W three hundred ninety two and twenty eight one hundredths (392.28') feet to a point in said land; thence, N 40 deg 54 min 47 sec E seventy one and thirty two one hundredths (71.32') feet to a point in said land; thence S 65 deg 23 min 33 sec E four hundred fifteen and ninety eight one hundredths (415.98') feet to a point in the line to lands of the said Bermuda Development Company Limited and to lands of said Imperial Government; thence, along the line to lands of the said Imperial Government and to lands of the said Bermuda Development Company Limited via two lines described as follows; S 40 deg 18 min 05 sec W seventy seven and forty seven one hundredths (77.47') feet to a point and S 46 deg 43 min 17 sec E fifty one and fifty five one hundredths (51.55') feet to point of beginning.

Also the full free and unrestricted right and liberty of way and passage, and the full free and unrestricted right to construct and maintain a road and to construct, maintain and use any or all electric power, telephone and telegraph lines as may be desired over and upon a right of way CONTAINING ONE HUNDRED TWENTY FIVE ONE THOUSANDTHS (0.125) ACRES more or less described as follows: to wit;

BEGINNING at a point, corner to lands of Bermuda Development Company Limited and to land of Imperial Government, said point being the west corner of government cemetery, thence along the line to lands of the said Imperial Government and the said Bermuda Development Company Limited S 65 deg 23 min 33 sec E two hundred eighty eight and thirty one hundredths (288.30) feet to a point, corner to lands of the said Imperial Government and the said Bermuda Development Company Limited; thence, through land of the said Imperial Government of which a portion of the lands herein described are a part S 67 deg 22 min 12 sec E forty three and twenty seven one hundredths (43.27') feet to a point and S 89 deg 17 min 08 sec E eight and eighty two one hundredths (8.82') feet to a point, corner to lands of the said Imperial Government and to lands of Corporation of St. George's: thence, along the line to lands of the said Corporation of St. George's and the said Imperial Government S 26 deg 10 min

58 sec E twenty and eighteen one hundredths (20.18) feet to a point in said line; thence, through lands of the said Imperial Government E 67 deg 22 min 12 sec W sixty nine and eighty three one hundredths (69.83') feet to a point in the line to lands of the said Imperial Government and to lands of the said Bermuda Development Company Limited; thence, along said line S 40 deg 18 min 05 sec W six and twelve one hundredths (6.12') feet to a point in said line; thence, through land of the said Bermuda Development Company Limited, of which a portion of the lands herein described are a part N 65 deg 23 min 33 sec W two hundred eighty three and eighty one hundredths (263.80') feet to a point in said land and N 24 deg 36 min 27 sec E sixteen(16.00') feet to point of beginning.

PLAN NO. B-1207 (a)

Metes and Bounds

Skinner's Hill

ALL THAT certain parcel or tract of land situated in St. David's Island, in the parish of St. George, in the Islands of Bermuda, CONTAINING NINETY THREE ONE HUNDREDTHS (0.93) ACRES, more or less, and being bounded and described as follows, to-wit:

BEGINNING at a point on a hill known as SKINNER'S HILL, in the lands of the British Imperial Government known as "Crown Land", said point being located one hundred six (106') feet, more or less, northeasterly, (measured at right angle to a straight line extending from War Department concrete boundary markers numbered 5 and 4) from a point on said line two hundred twenty five (225') feet, more or less, south of said War Department marker No. 5: THENCE, from said point of beginning through lands of the said War Department via five (5) lines described as follows: N 12 deg 24 min 40 sec E one hundred fifty (150') feet to a point in said land; S 88 deg 04 min 48 sec E one hundred thirty seven and thirty one hundredths (137.30') feet to a point in said land; S 65 deg 19 min 15 sec E one hundred seventeen and sixty nine one hundredths (117.69') feet to a point in said land; S 12 deg 24 min 40 sec W one hundred fifty (150') feet to a point in said land and W 77 deg 35 min 20 sec W two hundred fifty (250') feet to point of beginning.

Also the full, free and unrestricted right and liberty of way and passage and the full and free and unrestricted right to construct and maintain a road and to construct, maintain and use any or all electric power, telephone and telegraph lines which may be desired over and upon a right of way CONTAINING FIVE ONE HUNDREDTHS (0.05) ACRE, more or less, said right of way being twelve (12') feet wide and extending northwesterly a distance of one hundred fifty five (155') feet, more or less, from the west line of the lands hereinabove described to a graded gravel road over lands of the said Imperial Government. ALSO the right of full and free passage and the right to construct, maintain and use any or all electric power, telephone and telegraph lines which may be desired over said gravel road northwesterly from the right of way hereinabove described to the public road. The said land and right of ways herein described being as shown on Bermuda Defense Base Plan No. B-1207 (a).

*The British Ambassador to the Deputy Assistant Secretary of State
for European Affairs*

BRITISH EMBASSY
WASHINGTON D.C.

6 December 1978

Sir,

I have the honour to acknowledge your Note of 5 December 1978, which reads as follows:

"I have the honor to refer to the Agreement of March 27, 1941, as amended, between the United States of America and the United Kingdom, regarding leased naval and air bases, and to the related lease and other arrangements regarding the establishment, use, operation and defense of United States naval and air bases on Bermuda.

Discussions between officials of the Government of the United States and the Government of Bermuda have identified certain lands now within the leased area on Bermuda which no longer are required for the United States' purposes. These discussions have also identified certain other lands and facilities which are not now required for such purposes, but which may be required in the future.

As the result of these discussions, and having consulted the Government of Bermuda, I have the honor to propose the following set of arrangements to make these lands and facilities available for use by the Government of Bermuda and to provide for the future operation of other facilities of mutual interest:

I. The Government of the United States hereby gives notice of its intention to abandon the portions of the leased area in Bermuda referred to below, in accordance with Article XXI of the Agreement of March 27, 1941. Notwithstanding the one-year minimum notice requirement provided for by that Article, I propose that this notice shall become effective upon the date on which detailed descriptions of the lands to be abandoned shall be transmitted by the Government of the United States to the Government of Bermuda.

The locations of the lands subject to this notice are delineated on the maps attached to this note as Appendix I and particularly described in Appendix 1-A. These lands include:

- A. 5.30 acres, more or less, at the south-west corner of the Naval Air Station Annex;
- B. .015 acres, more or less, at Her Majesty's Dockyard;

Mr Richard D Vine
Department of State
Washington D.C.

- C. .34 acres, more or less, at Daniels Head;
- D. .32 acres, more or less, at Mount Hill;
- E. 1.475 acres, more or less, at Cemetery Hill,
which includes right of way of .125 acres;
- F. .98 acres at Skinner's Hill which includes
.05 acres access.

II. Notwithstanding Article XXIII of the Agreement of March 27, 1941, I propose that the following lands and facilities located within the leased area be made available by the United States to the Government of Bermuda or to entities or persons designated by that Government for the purposes specified herein or for such other purposes as may be agreed by the competent United States and Bermudian authorities. These lands and facilities shall be made available pursuant to agreements (hereinafter referred to as "Subleases") for such periods and upon such terms and conditions, as may be agreed by the competent United States and Bermudian authorities. The locations of these lands and facilities are delineated on the maps attached to this note as Appendix II. These lands and facilities include:

- A. A portion of building A-25 at the Naval Air Station Annex, for the purpose of establishing a fish processing facility sufficient for processing products and retail outlets, the storage of inventory and supplies, and for sales to registered fishermen together with access for vessels and vehicles delivering or receiving cargo and supplies in connection with the operation of the fish processing facility;
- B. Such other facilities at the Naval Air Station Annex as the competent United States and Bermudian authorities may agree upon;
- C. 25 acres, more or less, of land and improvements at the east end of the Naval Air Station Annex peninsula;
- D. Lands sufficient for the creation of two short taxiways and limited apron extensions at the Civil Air Terminal; and
- E. Causeway and Ferry Reach/Stokes Harbour foreshore together with the roadway extending from the Longbird Bridge to, but not including, the Naval Air Station Bermuda small boat basin.

In connection with the subleasing of the lands and facilities described in paragraphs A, B and C above, the competent United States authorities shall convert Constitution Road in the Naval Air Station Annex to a joint-use artery to provide access to the subleased properties.

With regard to the subleasing of the lands and facilities described in paragraphs D and E above, no new construction or modification of existing structures shall be carried out in such a way as to preclude the use of the airfield runway. Nor shall any structure or building be erected which would be an obstruction to air navigation at a military airfield in violation of the standards set forth in subpart C -- "Obstruction Standards", of part 77 of the Regulations of the United States Federal Aviation Administration (14 Code of Federal Regulations 77.21 to 77.29), as the same shall be amended.

The sublease provided for in paragraph D above, shall provide for the assumption by the Government of Bermuda of responsibility for maintenance and repair of taxiways and aprons and for grounds maintenance and upkeep within the area between the Civil Air Terminal, the Western and Northern perimeter fence and Easterly to the junction of taxiway 11 with runway 8-26.

Except as provided below, the subleases contemplated by Subsections C, D and E of this Section shall be effective up to and including the date on which the Agreement of March 27, 1941 is terminated. All subleases shall be subject to the condition that the United States may resume full and exclusive occupancy of the whole or such part thereof as it may require, immediately in the event of War or National Emergency, and otherwise as mutually agreed.

III. I further propose that the Government of Bermuda shall assume total responsibility for maintenance and operation of Kindley Field Road and its causeway; for Ferry Reach Channel; for five Dundonald Channel Markers in the Great Sound; and for the operation (including operator maintenance in accordance with procedures to be agreed by the competent United States and Bermudian authorities) of the Longbird Bridge. The United States shall remain responsible for all maintenance except operator maintenance of the Longbird Bridge.

The use of lands made available pursuant to this note shall not be considered to diminish in any way the military nature and importance of the United States Naval Air Station. Except as expressly provided herein, these arrangements shall not, in any manner, derogate from the provisions of the Agreement of March 27, 1941, as amended.

If the foregoing proposals are acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland, I have the honor to propose that this note, together with Your Excellency's confirming reply, shall constitute an agreement amending and supplementing the Agreement of March 27, 1941, as amended, which will enter into force upon the date of Your Excellency's reply."

I have the honour to inform you that the foregoing proposal is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland, who therefore agree that your Note, together with its Appendices, and together with the present reply, shall constitute an Agreement between the two Governments in this matter, which shall enter into force on the date of the present reply.

I avail myself of this opportunity to renew to you the assurance of my highest consideration.

 [¹]

¹ Peter Jay.

GUATEMALA
Small Farmer Marketing

*Agreement signed at Guatemala May 18, 1978;
Entered into force May 18, 1978.*

**CONVENIO DE PRESTAMO
ENTRE LA REPUBLICA DE
GUATEMALA Y LOS ESTA-
DOS UNIDOS DE AMERICA
PARA COMERCIALIZA-
CION DE VERDURAS Y
FRUTAS**

**LOAN AGREEMENT BE-
TWEEN THE REPUBLIC OF
GUATEMALA AND THE
UNITED STATES OF
AMERICA FOR SMALL
FARMER MARKETING**

**AGENCY FOR INTERNATIONAL DEVELOPMENT
AGENCIA PARA EL DESARROLLO INTERNACIONAL**

PRESTAMO 520-T-030

LOAN 520-T-030

18 DE MAYO DE 1978

MAY 18, 1978

CONVENIO DE PRESTAMO

Fecha
Entre
La República de Guatemala
("Prestatario")
Y
Los Estados Unidos de América
por intermedio de la Agencia
para el Desarrollo Internacional
("AID").

LOAN AGREEMENT

Dated
Between
The Republic of Guatemala
("Borrower")
And
The United States of America,
acting through the Agency for
International Development
("AID").

ARTÍCULO 1: El Convenio

El propósito de este Convenio es establecer las bases de entendimiento entre las partes indicadas anteriormente ("Partes") con respecto a la ejecución por el Prestatario del Proyecto descrito a continuación, y con respecto del financiamiento del Proyecto por las Partes.

ARTÍCULO 2: El Proyecto

SECCION 2.1. Descripción del Proyecto. El Proyecto consistirá de la creación de una entidad cooperativa de comercialización la cual estará dirigida hacia el aumento de los ingresos de los pequeños agricultores que producen frutas y verduras del clima templado proporcionándoles un mejor sistema de comercialización.

Dentro del alcance del Proyecto delimitado anteriormente, los elementos del mismo indicados en el Anexo 1 pueden ser modificados por medio de un acuerdo, por escrito, firmado por los representantes autorizados de las Partes que se indican en la Sección 9.2. del Convenio sin una enmienda formal de este Convenio.

ARTÍCULO 3: Financiamiento

SECCION 3.1. El Préstamo. Con el propósito de asistir al Prestatario para cubrir los costos del Proyecto, AID dentro de lo previsto en la Alianza para el Progreso y de conformidad con la Ley de Asistencia al Exterior del año 1961, y sus enmiendas, acuerda prestar al Prestatario bajo los términos de este Convenio una cantidad que no excederá de tres millones cuatrocientos mil dó-

ARTICLE 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project

SECTION 2.1. Definition of Project. The Project will consist of the establishment of a cooperative marketing entity directed toward increasing the incomes of small farmers producing temperate climate fruits and vegetables by providing them with an improved marketing system.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2., without formal amendment of this Agreement.

ARTICLE 3: Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended,[¹] agrees to lend the Borrower under the terms of this Agreement not to exceed three million four hundred thousand United States ("U.S.") dollars (\$3,400,000.00)

¹ 75 Stat. 424; 22 U.S.C. § 2151 note.

lares de los Estados Unidos de América ("U.S.") (\$3,400,000.00) ("Préstamo"). El monto total de desembolsos bajo este Préstamo se denomina "Principal".

El Préstamo puede utilizarse para financiar costos en moneda extranjera de acuerdo a la definición contenida en la Sección 7.1, y para financiar costos en moneda local de bienes y servicios requeridos para el Proyecto de acuerdo a la definición contenida en la Sección 7.2.

SECCION 3.2. Recursos del Prestatario para el Proyecto.

(a) El Prestatario acuerda proveer o hacer que se provea todos los fondos y todos los recursos adicionales para el Proyecto, además de los fondos provenientes del Préstamo, requeridos para la ejecución eficiente y puntual del Proyecto.

(b) Los recursos proporcionados por el Prestatario para el Proyecto serán no menores al equivalente de U.S. \$2,500,000.00 incluyendo costos cancelados en su equivalente en especie.

SECCION 3.3. Fecha Final para Completar el Proyecto.

(a) La "Fecha Final para Completar el Proyecto" (FFCP), que es seis años a partir de la fecha de suscripción, o cualquier otra fecha en que las Partes acuerden por escrito, es la fecha en la cual las Partes estiman que todos los servicios financiados con fondos provenientes del Préstamo habrán sido proporcionados para el Proyecto en la forma contemplada en este Convenio.

("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal".

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. \$2,500,000.00, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is six years from date of signing, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) A menos que AID convenga lo contrario no escrito, AID no emitirá ni aprobará documentación que autorice desembolsos del Préstamo para servicios que se realicen o para bienes que se provean para el proyecto contemplados en este Convenio, en fecha posterior a la FFCP.

(c) Solicitudes de desembolso, acompañadas por la documentación relacionada y necesaria según se especifica en Cartas de Ejecución, deberán ser recibidas por AID o por cualquier banco indicado en la Sección 8.1 en fecha no posterior a los nueve (9) meses a partir de la FFPC, o dentro de cualquier otro período acordado por AID por escrito. Despues de dicho período, AID, dando aviso por escrito al Prestatario, puede en cualquier momento reducir parcial o totalmente el monto del Préstamo por cantidades por las cuales no se ha presentado solicitudes de desembolso antes del vencimiento de dicho período, acompañadas por la documentación relacionada y necesaria según se especifica en Cartas de Ejecución.

ARTICULO 4: Términos Financieros del Prestamista

SECCION 4.1. Intereses. El Prestatario pagará a AID en concepto de intereses el dos por ciento (2%) anual durante los diez años a partir de la fecha del primer desembolso y subsiguientemente el tres por ciento (3%) anual sobre el saldo del Principal y de intereses vencidos. Los intereses sobre saldos adeudados

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any

se calcularán a partir de la fecha de cada desembolso de conformidad con la Sección 8.5. y serán pagaderos semestralmente. El primer pago de intereses vencerá y será pagadero en fecha no posterior a los seis (6) meses a partir del primer desembolso efectuado, y dicha fecha será determinada por AID.

due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECCION 4.2. Amortizaciones.

El Prestatario pagará a AID el Principal dentro de un término de treinta (30) años a partir de la fecha del primer desembolso del Préstamo en cuarenta y un (41) pagos semestrales aproximadamente iguales que incluirán Principal e intereses. La primera amortización del Principal será pagadera nueve y medio (9½) años a partir de la fecha en que venza el primer pago de intereses, de acuerdo con la Sección 4.1. AID proporcionará al Prestatario un calendario de amortizaciones calculado de acuerdo a lo estipulado en esta Sección después de que se haya efectuado el último desembolso del Préstamo.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within thirty (30) years from the date of the first disbursement of the Loan in forty-one (41) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECCION 4.3. Aplicación, Moneda y Lugar de Pago. Todos los pagos de Principal e intereses de este Préstamo se harán en dólares de los Estados Unidos y serán abonados primero al pago de intereses vencidos y luego a la amortización del Principal. Salvo que AID determine lo contrario por escrito, los pagos se harán a: Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., y se

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will

considerarán efectuados cuando sean recibidos por la Office of Financial Management.

SECCION 4.4. Pagos Anticipados. Siempre que estén al día los pagos en concepto de intereses y devoluciones vencidos, el Prestatario podrá pagar anticipadamente, sin recargo, todo o parte del Principal. A menos que AID convenga lo contrario por escrito, cualquier pago anticipado será aplicado a los pagos de Principal pendientes en el calendario de amortizaciones en el orden inverso de su vencimiento.

SECCION 4.5. Renegociación de Términos Financieros.

(a) De conformidad con los compromisos contraídos por los Estados Unidos de América y los otros países signatarios de la Carta de Bogotá y de la Carta de Punta del Este con el objeto de coadyuvar a la Alianza para el Progreso, el Prestatario y AID convienen en negociar, cuando cualquiera de las Partes lo solicite, una aceleración de la amortización del Préstamo, en caso que se produzca una mejora significativa y continuada en la posición y perspectivas financieras y económicas internas y externas de la República de Guatemala que permitiría al Prestatario amortizar el Préstamo en una forma más rápida, tomando en consideración las necesidades de capital relativas de la República de Guatemala y de los otros países signatarios de la Carta de Bogotá y de la Carta de Punta del Este.

be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) In the light of the undertakings of the United States of America and of the other signatories of the Act of Bogotá^[1] and the Charter of Punta del Este^[2] to forge an Alliance for Progress, the Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of Guatemala, which enable the Borrower to repay the Loan on a shorter schedule, 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.

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

² Department of State Bulletin, Sept. 11, 1961, p. 463.

(b) Cualquier solicitud de una de las Partes a la otra para llevar a cabo una negociación será gestionada de conformidad con la Sección 9.2., y con notificación del nombre y dirección de la personal o personas que representarán a la Parte solicitante en dichas negociaciones.

(c) Dentro de treinta (30) días a partir de la entrega de la solicitud para la negociación, la Parte que haya recibido la solicitud comunicará a la otra Parte de conformidad con la Sección 9.2. el nombre y dirección de la persona o personas quienes representarán a la Parte solicitada en dichas negociaciones.

(d) Los representantes de las Partes se reunirán para llevar a cabo las negociaciones en una fecha no posterior a treinta (30) días a partir de la entrega de la comunicación señalada en la subsección (c). Las negociaciones se llevarán a cabo en un lugar fijado de común acuerdo por los representantes de las Partes, siempre que, en la ausencia de un acuerdo mutuo, las negociaciones se lleven a cabo en el Despacho del Ministro de Finanzas del Prestatario en Guatemala.

SECCION 4.6. Terminación por Pago Total. Una vez se haya pagado el total del Principal y de los intereses acumulados, este Convenio y todas las obligaciones del Prestatario y A.I.D. derivadas del mismo, terminarán.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Guatemala.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

ARTÍCULO 5: Condiciones Previñas a los Desembolsos

SECCION 5.1. Primer Desembolso. Previo al primer desembolso de fondos provenientes del Préstamo y a la emisión por A.I.D. de documentación por medio de la cual se efectuará desembolsos, el Prestatario presentará o hará que sean presentados en forma y contenido satisfactorios a A.I.D.:

(a) Un dictamen legal aceptable a A.I.D. indicando que este Convenio ha sido debidamente autorizado y/o ratificado y celebrado por el Prestatario y que el mismo constituye una obligación legal del Prestatario de conformidad con todos los términos;

(b) Notificación oficial del nombre de la persona autorizada que representará al Prestatario de conformidad con la Sección 9.2, y de cualesquiera representantes adicionales, con un ejemplar de la firma de cada persona indicada en dicha notificación;

(c) Copias de un contrato de fideicomiso entre el Ministerio de Finanzas y el Banco Nacional de Desarrollo Agrícola (BAN DESA), en el cual se prescribe la transferencia de los fondos del Préstamo más una cantidad no menor al equivalente de \$1,700,000 de los fondos de contrapartida a BANDESA con el propósito de financiar la Asociación Cooperativa de Mercadeo de conformidad con un calendario aceptable a A.I.D.;

ARTICLE 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower shall furnish or cause to be furnished in form and substance satisfactory to A.I.D.:

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) Copies of an agreement between the Ministry of Finance and the National Agricultural Development Bank (BAN DESA), providing for transfer of the Loan funds and a sum of not less than \$1,700,000 equivalent of counterpart funds to BAN DESA for the purpose of financing the Cooperative Marketing Association in accordance with a schedule acceptable to A.I.D.;

(d) Copias de la escritura de constitución, estatutos y reglamentos o documentos equivalentes de la Asociación Cooperativa de Mercadeo según lo requieren las leyes de la República de Guatemala, debidamente aprobados de conformidad con la ley y/o las regulaciones de la Asociación Cooperativa de Mercadeo;

(e) Constancia de que por lo menos 1500 agricultores y por lo menos dos federaciones de cooperativas han suscrito certificados de participación en la Asociación Cooperativa de Mercadeo, y que por lo menos el equivalente a \$50,000 ha sido aportado bajo dichas suscripciones; y copias de un plan para la suscripción y aportación de por lo menos el equivalente a \$200,000 en capital adicional; y,

(f) Copias del contrato de financiamiento celebrado para transferir fondos de BANDESA a la Asociación Cooperativa de Mercadeo.

SECCION 5.2. Desembolsos para Capital de Trabajo. A menos que A.I.D. convenga lo contrario por escrito, previo a cualquier desembolso y a la emisión de cualquier documento bajo el cual se efectuarán desembolsos para financiar capital de trabajo, el Prestatario presentará o hará que sea presentada en forma y contenido satisfactorio a A.I.D., constancia de que el personal adecuado ha sido empleado por la Asociación Cooperativa de Mercadeo para operaciones de comercialización.

(d) Copies of the charter, by-laws and operating policies or the equivalent documents required by the laws of the Republic of Guatemala of the Cooperative Marketing Association, duly approved as required by law and/or by regulations of the Cooperative Marketing Association;

(e) Evidence that at least 1500 farmers and at least two cooperative federations have subscribed for certificates of participation in the Cooperative Marketing Association, and that at least \$50,000 equivalent has been paid in to the Cooperative Marketing Association under such subscriptions; and copies of a plan for the subscription and payment of at least \$200,000 equivalent in additional capital; and,

(f) Copies of an executed financing agreement governing the transfer of funds from BAN DESA to the Cooperative Marketing Association.

SECTION 5.2. Disbursements for Working Capital. Except as A.I.D. may otherwise agree in writing, prior to any disbursement or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made to finance working capital, Borrower shall furnish or cause to be furnished, in form and substance satisfactory to A.I.D., evidence that satisfactory staff has been employed by the Cooperative Marketing Association for business operations.

SECCION 5.3. Desembolsos para Ampliación de Instalaciones para Almacenamiento a Largo Plazo.

A menos que A.I.D. convenga lo contrario por escrito, previo a cualquier desembolso y a la emisión de cualquier documento bajo el cual se efectuarán desembolsos para financiar la ampliación de instalaciones para almacenamiento a largo plazo, el Prestatario presentará o hará que sean presentados an forma y contenido satisfactorio a A.I.D.:

(a) Constancia que los resultados de la operación durante los primeros tres años de comercialización (o cualquier otro período en que convenga AID) siguen justificando tal ampliación; y

(b) Los planos y especificaciones finales para la construcción de tal ampliación.

SECCION 5.4. Notificación. Al determinar A.I.D. que las condiciones previas descritas en las Secciones 5.1, 5.2 y 5.3 han sido satisfechas, A.I.D. notificará inmediatamente al Prestatario de tal determinación.

SECCION 5.5. Fechas Finales para Satisfacer Condiciones Previyas.

(a) Si todas las condiciones especificadas en la Sección 5.1 120 días a partir de la fecha de 120 días a partie de la fecha de este Convenio, o antes de una fecha posterior que AID convenga por escrito, AID podrá a su opción, dar por terminado este Convenio de Préstamo dando aviso por escrito al Prestatario.

SECTION 5.3. Disbursements for Long Term Storage Expansion.

Except as A.I.D. may otherwise agree in writing, prior to any disbursement or to the issuance by AID of documentation pursuant to which disbursement will be made to finance expansion of long term storage facilities, Borrower shall furnish or cause to be furnished, in form and substance satisfactory to A.I.D.:

(a) Evidence that operating results during the first three years of business activity (or such other period to which A.I.D. may agree) continue to justify such expansion; and

(b) Final plans and specifications for construction of such facilities.

SECTION 5.4. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1, 5.2 and 5.3 have been met, it will promptly notify the Borrower.

SECTION 5.5. Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

(b) Si todas las condiciones descritas en la Sección 5.2 no han sido satisfechas dentro de 12 meses a partir de la fecha de este Convenio o en una fecha posterior que AID convenga por escrito, AID podrá, a su opción, cancelar el saldo pendiente e desembolso del Préstamo que no ha sido comprometido a terceros, y podrá dar por terminado este Convenio notificando al Prestatario por escrito. En caso de tal terminación, el Prestatario pagará inmediatamente el saldo de Principal e intereses acumulados. Al recibir dichos pagos en su totalidad, este Convenio y todas las obligaciones de las Partes derivadas del mismo terminarán.

ARTICULO 6: Disposiciones Especiales

SECCION 6.1. Evaluación del Proyecto. Las Partes acuerdan establecer un programa de evaluación como un componente del Proyecto. A menos que las Partes convengan lo contrario por escrito, se evaluarán los siguientes aspectos bajo el programa durante la ejecución del Proyecto y en una o más ocasiones posteriormente: (a) evaluación del avance hacia el logro de los objetivos del Proyecto; (b) identificación y evaluación de áreas problemáticas y circunstancias que dificultan el logro de los objetivos; (c) evaluación de la forma en que los resultados pueden ser utilizados para ayudar a resolver tales problemas; y (d) evaluación al grado factible, del impacto general del Proyecto sobre el desarrollo.

(b) If all of the conditions specified in Section 5.2 have not been met within 12 months from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

ARTICLE 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECCION 6.2. Financiamiento del Proyecto. El Prestatario se compromete, a menos que AID convenga lo contrario por escrito, a proveer y utilizar para el Proyecto todos los recursos financieros y de otra naturaleza requeridos por el Proyecto y que sean consistentes con la Descripción del Proyecto y el Plan Financiero que se adjuntan como Anexo a este Convenio.

ARTÍCULO 7: Procedencia de las Compras

SECCION 7.1. Costos en Moneda Extranjera. Los desembolsos de acuerdo con la Sección 8.1, serán utilizados exclusivamente para financiar los costos de bienes y servicios requeridos para el Proyecto que tengan su origen y procedencia en los países incluidos en el Código 941 del Libro de Códigos Geográficos de AID, excluyendo los países del Mercado Común Centroamericano, vigente en el momento que se emitan las órdenes de compra correspondientes o que se suscriban los contratos correspondientes por tales bienes y servicios ("Costos en Moneda Extranjera"), a menos que AID convenga lo contrario por escrito, y excepto en el caso de seguro marítimo según lo previsto en la Sección C.1(b) de las Disposiciones Generales que se adjuntan como Anexo a este Convenio.

SECTION 6.2. Project Financing. Borrower hereby covenants that, except as A.I.D. may otherwise agree in writing, Borrower shall provide and utilize for the Project, financial and other resources required by and compatible with the Project Description and Financial Plan included as an Annex to this Agreement.

ARTICLE 7: Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book excluding the countries of the Central American Common Market as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex,[¹] Section C.1(b) with respect to marine insurance.

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

SECCION 7.2. Costos en Moneda Local. Los desembolsos de acuerdo con la Sección 8.2. serán utilizados exclusivamente para financiar los costos de bienes y servicios requeridos para el Proyecto que tengan su origen y procedencia en los países del Mercado Común Centroamericano ("Costos en Moneda Local").

ARTÍCULO 8: Desembolsos

SECCION 8.1 Desembolsos para Costos en Moneda Extranjera.

(a) Una vez que se hayan satisfecho las condiciones previas, el Prestatario puede obtener desembolsos de fondos provenientes del Préstamo para cubrir Costos en Moneda Extranjera de bienes y servicios requeridos para el Proyecto de conformidad con los términos de este Convenio, por medio de cualesquiera de los métodos siguientes que se acuerden mutuamente en utilizar:

(1) Presentando a AID, juntamente con la documentación relacionada y necesaria según lo especificado en Cartas de Ejecución, (i) solicitudes de reembolso por tales bienes y servicios, o (ii) solicitudes para que AID, en representación del Prestatario, adquiera bienes o servicios para el Proyecto; o

(2) Solicitando a AID que emita Cartas de Compromiso por cantidades específicas (i) a bancos de los Estados Unidos aceptables a AID, por medio de las cuales AID se compromete a reembolsar a tales bancos por pagos efectuados.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the Central American Common Market ("Local Currency Costs").

ARTICLE 8: Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods and services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (i) requests for reimbursement for such goods or services, or (ii) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (i) to U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such banks for payments made by them to contractors or sup-

tuados por los mismos a contratistas o proveedores, bajo Cartas de Crédito o en otra forma para tales bienes o servicios, o (ii) directamente a contratistas o proveedores, compromiéndose AID a pagar a tales contratistas o proveedores por tales bienes o servicios.

(b) Los costos bancarios incurridos por el Prestatario y relacionados con la apertura de Cartas de Compromiso y Cartas de Crédito serán financiados por el Préstamo a menos que el Prestatario indique lo contrario a AID. Se financiarán también con fondos del Préstamo otros costos que acuerden las Partes.

SECCION 8.2. Desembolsos para Costos en Moneda Local.

(a) Una vez que se hayan satisfecho las condiciones previas, el Prestatario puede obtener desembolsos de fondos provenientes del Préstamo para cubrir Costos en Moneda Local de bienes y servicios requeridos para el Proyecto de conformidad con los términos de este Convenio, presentando a AID, juntamente con la documentación relacionada y necesaria según lo especificado en Cartas de Ejecución, solicitudes para financiar dichos costos.

(b) La moneda local requerida para tales desembolsos puede obtenerse:

(1) adquiriéndola AID con dólares de los Estados Unidos por medio de compra; o

pliers, under Letters of Credit or otherwise, for such goods or services, or (ii) directly to contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Local Currency Costs of goods and services required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) Local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase; or

(2) solicitando AID al Prestatario que haga disponible la moneda local requerida para dichos costos y posteriormente reembolsando un monto en dólares de los Estados Unidos equivalente a la cantidad de moneda local puesta a disposición por el Prestatario.

SECCION 8.3. Otras Formas de Desembolsos. Desembolsos del Préstamo pueden también efectuarse por medio de otros mecanismos acordados por escrito por las Partes.

SECCION 8.4. Tipo de Cambio. Con la excepción de las disposiciones de la Sección 8.2., si fondos del Préstamo son ingresados a Guatemala por AID o por cualquier entidad pública o privada con la finalidad de cubrir las obligaciones de AID aquí previstas, el Prestatario tomará las medidas necesarias para permitir el cambio de dichos fondos a la moneda de Guatemala al tipo de cambio más alto que en el momento de efectuar la transacción no sea ilegal en Guatemala.

SECCION 8.5. Fecha de Desembolso. Los desembolsos de AID serán considerados como efectuados (a) en la fecha que AID efectúa un desembolso al Prestatario o a su representante, o a un banco, contratista o proveedor bajo una Carta de Compromiso, contrato, u orden de compra; o (b) en la fecha en que AID desembolsa al Prestatario o su representante, moneda local adquirida de conformidad con la Sección 8.2(b)(1).

(2) by A.I.D. requesting the Borrower to make available the local currency for such costs, and thereafter reimbursing an amount of U.S. dollars equal to the amount of local currency made available by the Borrower.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2., if funds provided under the Loan are introduced into Guatemala by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Guatemala at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Guatemala.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2(b)(1).

ARTÍCULO 9: Varios**SECCION 9.1. Comunicaciones.**

Cualquier notificación, solicitud, documento, u otra comunicación presentada por cualquiera de las Partes a la otra Parte bajo este Convenio se efectuará por escrito, por telegrama o por cable, y será considerada como debidamente enviado y efectuado al entregarlo a tal Parte en la siguiente dirección:

AL PRESTATARIO:

Dirección Postal:

Ministerio de Finanzas Públicas
Edificio Ministerio de Finanzas

21 Calle y 8a Avenida, Zona 1

Ciudad de Guatemala

Guatemala, C.A.

Dirección Cablegráfica:

MINFINANZAS

Guatemala, C.A.

A AID:

Dirección Postal:

Office of the Director

USAID Mission to Guatemala
c/o U.S. Embassy

Guatemala City,

Guatemala, C.A.

Dirección Cablegráfica:

USAID, American Embassy

Guatemala City, Guatemala,
C.A.

Todas las comunicaciones serán redactadas en inglés, a menos que las Partes convengan lo contrario por escrito. Las direcciones anteriormente indicadas pueden sustituirse previa notificación.

SECCION 9.2. Representantes.

Para todo lo relacionado con este Convenio, el Prestatario será representado por la persona que

ARTICLE 9: Miscellaneous**SECTION 9.1. Communications.**

Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To THE BORROWER:

Mail Address:

Ministerio de Finanzas Públicas
Edificio Ministerio de Finanzas

21 Calle y 8a Avenida, Zona 1

Ciudad de Guatemala

Guatemala, C.A.

Alternate address for telegrams:

MINFINANZAS

Guatemala, C.A.

To A.I.D.:

Mail Address:

Office of the Director

USAID Mission to Guatemala
c/o U.S. Embassy

Guatemala City,

Guatemala, C.A.

Alternate address for telegrams:

USAID, American Embassy

Guatemala City, Guatemala,
C.A.

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives.

For all purposes relevant to this Agreement, the Borrower will be represented by the individual

desempeña o que actúa en el cargo de Ministro de Finanzas y AID será representada por la persona que desempeña o que actúa en el cargo de Director de la Misión de AID en Guatemala, cada uno de los cuales, por medio de notificación escrita puede designar representantes adicionales para todos los fines menos los previstos en la Sección 2.1, referente a la modificación de los elementos de la descripción detallada del Proyecto contenida en el Anexo I. Los nombres de los representantes del Prestatario, con ejemplares de sus firmas originales serán proporcionados a la AID, y AID puede aceptar como debidamente autorizado cualquier instrumento firmado por tales representantes en la ejecución de este Convenio, hasta que se reciba notificación escrita de la revocación de su autoridad.

SECCION 9.3. Anexo de Disposiciones Generales. Se adjunta y forma parte de este Convenio el "Anexo de Disposiciones Generales" (Anexo 2).

SECCION 9.4. Idioma del Convenio. Este Convenio está redactado en inglés y español. En caso de ambigüedad o conflicto entre las dos versiones, la versión en inglés prevalecerá.

EN FE DE LO CUAL, el Prestatario y los Estados Unidos de América, cada uno actuando por medio de su representante debidamente autorizado, suscribe este Con-

holding or acting in the office of Minister of Finance and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID Mission to Guatemala, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

SECTION 9.4. Language of Agreement. This Agreement is prepared in both English and Spanish. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to

^[1] See footnote 1, p. 2710.

venio, en el dia indicado en su introducción.

be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF GUATEMALA

A. AROCH NAVARRO

Lic. Arturo Aroch Navarro
Ministro de Finanzas

DAVID RUBIO C.

General de Brigada DEM
Fausto David Rubio Coronado
Ministro de Agricultura

THE UNITED STATES OF AMERICA

G. R. ANDREWS

George R. Andrews
Deputy Chief of Mission

FREDERICK W. SCHIECK

Frederick W. Schieck
Director
USAID Mission to Guatemala

ANNEX 1
ANEXO 1

AID LOAN AGREEMENT 520-T-030
CONVENIO DE PRESTAMO AID 520-T-030

SMALL FARMER MARKETING
COMERCIALIZACION DE VERDURAS Y FRUTAS

THE PROJECT
EL PROYECTO

El propósito del Proyecto es lograr una mejora sustancial y permanente de los ingresos de los pequeños agricultores quienes cultivan verduras y frutas del clima templado, o sea de la zona del Altiplano, mediante la introducción de un sistema organizado y eficiente para la comercialización de estos productos. Se logrará este propósito mediante la creación de una Asociación Cooperativa de Mercadeo con la ayuda y la participación del Movimiento Cooperativo.

The objective of the Project is to achieve a significant and permanent increase in the incomes of small farmers in the Highland Region who grow temperate climate fruits and vegetables by introducing an organized and efficient system for marketing these products. The objective of the Project is to be achieved by creating a Cooperative Marketing Association with the assistance and participation of the Cooperative Movement.

La Asociación realizará sus actividades a través de tres centros regionales de acopio ubicados estratégicamente en el Altiplano: uno en el Departamento de Huehuetenango, uno en el Departamento de Quezaltenango y uno en la región Sololá/Tecpán. Se comprarán las verduras y frutas a los agricultores y grupos de agricultores directamente y al contado. En los centros los productos serán lavados, clasificados y acumulados en lotes más grandes para ser transportados a la ciudad capitalina o a clientes que compran directamente de los centros regionales de acopio.

La Asociación tendrá un centro de operaciones en la vecindad del principal mercado de mayoreo de la Ciudad de Guatemala. Es aquí donde los camiones entregarán los productos de los centros de acopio, y desde donde la Asociación canalizará sus actividades de venta por mayor y por menor. El centro de operaciones también funcionará como centro de acopio para productos que se originen en los departamentos de Guatemala y Sacatepéquez.

La introducción de técnicas de cultivo sofisticadas no se considera esencial para el éxito del Proyecto y por lo tanto no figura dentro del alcance del mismo. Únicamente se intentará ordenar la producción por medio de medidas sencillas tales como la calendarización de las siembras y la clasificación de las cosechas durante la vigencia del Proyecto. Los fertilizantes y demás insumos agrícolas, y el crédito

The Association will operate three regional buying stations strategically located in the Highlands: one in the Department of Huehuetenango, one in the Department of Quezaltenango and one in the Sololá/Tecpán area. Fruits and vegetables will be bought directly from farmers and groups of farmers on a cash basis. In the buying stations produce will be washed, sorted and assembled into truckload lots for shipment to the capital city or to buyers who purchase directly from the regional buying stations.

The Association will have an operations center in the vicinity of Guatemala City's principal wholesale produce market. It is here where trucks will deliver produce from the buying stations and where the principal wholesale and retail selling efforts will take place. The central facility will also function as a buying station for produce originating in the Departments of Guatemala and Sacatepéquez.

The introduction of sophisticated production techniques is not considered essential to the success of the Project and therefore is not included in its scope. Only simple production improvement measures such as scheduled plantings and crop grading are planned during the Project disbursement period. Fertilizers and other agricultural inputs, and the credit necessary for financing them, will be channeled to small

necesario para financiarlos, serán canalizados a los pequeños agricultores por medio de programas existentes del Gobierno de Guatemala tanto como del Movimiento Cooperativo.

La Asociación llevará a cabo un programa calendarizado para la comercialización de varios productos que se han escogido por parecer suficientemente rentables. Para empezar, se han seleccionado para posible comercialización nueve productos de mayor volumen que son relativamente menos perecederos, los cuales son: papa, cebolla, ajo, zanahoria, repollo, remolacha, durazno, manzana y nabo. Cada año se agregarán más productos para llegar al total previsto de aproximadamente 28 productos ya identificados dentro de los cuales figuran veinte verduras y ocho frutas.

Para permitir la mayor concentración de esfuerzos minimizando así los riesgos, el negocio de la Asociación será limitado durante los primeros tres años de operaciones exclusivamente a la comercialización de productos frescos. En esta fase inicial la Asociación almacenará productos solamente por plazos muy cortos.

En el cuarto año, si los resultados de las operaciones y el estado del mercado lo justifica, se construirán ampliaciones de la planta física para el almacenamiento de productos por plazos más largos. Dado que los precios de muchos productos son cílicos,

farmers through existing programs of the Government of Guatemala and the Cooperative Movement.

The Association will carry out a time-phased program for marketing a variety of products chosen for their profitability. To start, nine relatively less perishable, high volume produce items have been selected for possible commercialization, namely: potatoes, onions, garlic, carrots, cabbage, beets, peaches, apples and turnips. Each year more items will be added reaching a potential total of some 28 selected products, including twenty vegetables and eight fruits.

In order to concentrate efforts and thereby minimize risk, the activities of the Association will be limited exclusively to fresh produce marketing during the first three years of operations. During this initial phase the Association will store produce only for short periods.

In the fourth year, if operating results and market conditions so warrant, building expansions will be constructed for the storage of produce for longer periods. Due to the cyclical price pattern of many produce items, it is anticipated that this activity could

se prevé que esta actividad podrá resultar beneficiosa en términos de su impacto sobre los ingresos de los agricultores afiliados.

La Asociación será constituida con su propia personalidad jurídica. Su capital será variable y su responsabilidad será limitada. Su propósito será el beneficio de sus afiliados y no se perseguirán fines de lucro. El derecho de participar como propietario por medio de la adquisición de certificados de participación estará limitado a las federaciones de cooperativas que cuentan con productores de verduras y frutas entre sus miembros. Los productores de verduras y frutas quienes son miembros de cooperativas federadas participarán como propietarios de la Asociación a través de sus federaciones respectivas. Se permitirá a los productores de verduras y frutas quienes no son miembros de cooperativas, o quienes son miembros de cooperativas no federadas, vender sus productos a la Asociación pero no podrán participar en la distribución de excedentes si los hubiere. La dirección de la Asociación estará a cargo de una junta directiva compuesta de representantes de las federaciones y de productores de verduras y frutas nombrados por sus federaciones correspondientes. La junta directiva establecerá las políticas de la Asociación, pero en lo que a los aspectos de operación y administración se refiere, la junta directiva proporcionará un alto grado de autonomía a una gerencia bien calificada y experimentada en el ramo de comercialización de productos agrícolas.

result in a favorable impact on the incomes of affiliated farmers.

The Association will be constituted with its own juridical personality. Its capital will be variable and its liability will be limited. It will be non-profit and its purpose will be the benefit of its members. The right to participate in ownership through purchase of certificates of participation will be restricted to cooperative federations having producers of fruits and vegetables within their memberships. Producers of fruits and vegetables who are members of federated cooperatives will participate in the ownership of the Association through their respective federations. Producers of fruits and vegetables who are not members of cooperatives, or who are members of unfederated cooperatives, will be permitted to sell their produce to the Association provided that a nominal discount is applied and in the distribution of any operating surpluses. The governance of the Association will be vested in a board of directors composed of representatives of the federations and of fruit and vegetable producers appointed by their corresponding federations. The board of directors will set the policies of the Association, but as regards operating and administrative matters, the board of directors will delegate a high degree of autonomy to a qualified management experienced in the field of marketing agricultural products.

Las federaciones, y los productores de verduras y frutas a través de sus federaciones, aportarán capital a la Asociación. Las aportaciones serán complementadas por financiamiento otorgado por el Gobierno de Guatemala a través del Banco Nacional de Desarrollo Agrícola (BANDESA) con los fondos provenientes del préstamo de AID y de la contrapartida. Los términos financieros del financiamiento proporcionado a la Asociación serán concesionarios, con un plazo no menor de treinta años, un período de gracia para pagos de amortización no menor de diez años, y una tasa de interés no mayor de tres por ciento durante el período de gracia y no mayor del cuatro por ciento después.

El tiempo de ejecución del Proyecto será de seis años, incluyendo un año para organización y promoción. El Plan Financiero del Proyecto, que además del Préstamo objeto de este Convenio, incluye financiamiento no-reembolsable de AID hasta por el monto de Q800,000, se presenta a continuación. Como se indica en el Plan Financiero, los fondos del Préstamo de AID serán utilizados para financiar los costos de edificios, equipo y una parte del capital de trabajo. Los recursos del Gobierno de Guatemala serán utilizados para financiar la adquisición de los terrenos, capital de trabajo y créditos de producción. Las federaciones de cooperativas y los productores de verduras y frutas aportarán el capital de riesgo de la Asociación, y además, las federaciones finan-

The federations, and producers of fruits and vegetables through their federations, will invest capital in the Association. This capital will be complemented by financing extended by the Government of Guatemala through the National Agricultural Development Bank (BANDESA) with AID loan and counterpart funds. The terms of the financing extended to the Association will be concessionary, with a repayment period of not less than thirty years, a grace period on principal repayment of not less than ten years, and interest at no more than three percent during the grace period and no more than four percent thereafter.

The implementation period of the Project will be six years, including one year for organization and promotion. The Financial Plan of the Project, which in addition to the Loan provided under this Agreement, includes non-reimbursable AID financing up to the amount of \$800,000, is presented on the following page. As indicated in the Financial Plan, AID Loan funds will be used to finance buildings, equipment and a portion of working capital. Government of Guatemala resources will be used to finance land acquisition, working capital and production credit. The cooperative federations and producers of fruits and vegetables will put up the Association's venture capital, and in addition, the federations will finance a portion of production credit. The cost of technical

ciarán una porción de los créditos de producción. El costo de asistencia técnica y una porción de los costos de organización de la Asociación será financiado por AID en forma no-reembolsable bajo otro convenio.

assistance and a portion of the Association's organization costs will be financed by AID on a non-reimbursable basis under a separate agreement.

FINANCIAL PLAN

(In thousand US dollars)

	GOG	AID Loan	AID Grant	Federa- tions	Small Farmers	Total
Capital Budget						
<u>Initial Phase¹</u>						
Land	400					400
Buildings & Equipment	2200					2200
Working Capital	900	200		90	60	1250
Subtotal	1300	2400		90	60	3850
<u>Second Phase²</u>						
Buildings & Equipment	1000					1000
Working Capital	400			60	40	500
Subtotal	400	1000		60	40	1500
Total capital costs	1700	3400		150	100	5350
Support Costs						
Production Credit	800		200			1000
Technical Assistance		634				634
Organization Costs		166				166
Total support costs	800		800	200		1800
Total project costs	2500	3400	800	350	100	7150

¹ Fresh Produce Marketing.

² Long Term Storage Expansion.

[Footnotes in the original.]

PLAN FINANCIERO

(En miles de Quetzales)

	Gobier- no de Guate- mala	AID Prés- tamo	AID Dona- ción	Federa- ciones	Agricul- tores	Total
Presupuesto de Capital						
Fase Inicial¹						
Terrenos.....	400					400
Edificios y Equipos.....		2200				2200
Capital de Trabajo.....	900	200		90	60	1250
Subtotal.....	1300	2400		90	60	3850
Fase Segunda²						
Edificios y Equipos.....		1000				1000
Capital de Trabajo.....	400			60	40	500
Subtotal.....	400	1000		60	40	1500
Total de capital.....	1700	3400		150	100	5350
Costos de Apoyo						
Créditos de Producción.....	800		200			1000
Asistencia Técnica.....			634			634
Gastos de Organización.....			166			166
Total costos de apoyo.....	800		800	200		1800
Total Proyecto.....	2500	3400	800	350	100	7150

¹ Comercialización de Productos Frescos.² Ampliación para Almacenamiento a Largo Plazo.

TURKEY

Finance: Consolidation and Rescheduling of Certain Debts

*Agreement signed at Washington September 21, 1978;
Entered into force December 7, 1978.
And agreements signed at Ankara December 5, 1978;
Entered into force December 7, 1978.*

CONTENTS

[Added by the Department of State]

	<i>Page</i>
Agreement regarding the consolidation and rescheduling of certain Turkish debts owed to, guaranteed or insured by the United States Government and its agencies, with annexes	
English text-----	2725
Turkish text-----	2737
Agreement regarding the consolidation and rescheduling of payments under PL 480 Title I agricultural commodity agreements, with schedules-----	2748
Implementing agreement regarding the consolidation and rescheduling of certain debts owed to the Agency for International Development, with schedules-----	2753

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND THE REPUBLIC OF TURKEY
REGARDING THE CONSOLIDATION AND RESCHEDULING OF
CERTAIN DEBTS OWED TO,
GUARANTEED OR INSURED BY THE
UNITED STATES GOVERNMENT AND ITS AGENCIES

The United States of America (the "United States") and
the Republic of Turkey ("Turkey") agree as follows:

ARTICLE I

Application of the Agreement

1. In accordance with the provisions of the Understanding reached on May 20, 1978^[1] (the "Understanding") among representatives of certain nations, including the United States, and agreed to by the representative of Turkey, the United States and Turkey hereby agree to consolidate and reschedule certain Turkish debts which are owed to, guaranteed by or insured by the United States or its agencies, as provided for in this Agreement.

2. This Agreement shall be implemented by separate agreements (the "implementing agreements") between the United States and Turkey with respect to P.L. 480 agreements and the 1972 arrangement consolidating credits granted to Turkey by the European Fund of the European Monetary Agreement, and between Turkey and each of the following United States agencies: the Agency for International Development, the Export-Import Bank of the United States, and the Department of Defense. The Department of Defense will include in its implementing agreement amounts which it will pay the Federal Financing Bank pursuant to contracts of guaranty covering contracts between the Federal Financing Bank and Turkey.

ARTICLE II

Definitions

1. "Contracts" or "original contracts" means those agreements listed in Annex A, and other financial arrangements between Turkish obligors and the Export-Import Bank executed prior to January 1, 1978 with unpaid maturities as of May 20, 1978, or maturities falling due during the consolidation period.

¹ Not printed.

2. "Debt" means the following obligations with respect to contracts executed prior to January 1, 1978:

(a) The sum of principal and interest, payable with respect to contracts having an original maturity of more than one year, due between January 1, 1977 and May 20, 1978, and remaining unpaid on May 20, 1978.

(b) The sum of principal and interest payable with respect to contracts having an original maturity of more than one year and due between May 21, 1978 and June 30, 1979; and

(c) The sum of principal and interest, payable with respect to contracts having an original maturity of one year or less, due between January 1, 1977 and May 20, 1978, and remaining unpaid on May 20, 1978.

3. "Consolidated debt" means eighty percent of the dollar amount of debt described in paragraph 2 above. "Non-consolidated debt" means the remaining twenty percent of the dollar amount of debt described in paragraph 2 above.

4. "Consolidation period" means the period from January 1, 1977 through June 30, 1979.

5. "Interest" means interest on debt. Such interest shall begin to accrue at the rates set forth in this Agreement on May 21, 1978 for debt described in Article II, paragraphs 2(a) and 2(c), and on the respective due dates specified in each of the original contracts for each scheduled payment for debt described in Article II, paragraph 2(b), and shall continue

to accrue until the debt is repaid in full. Additional interest shall accrue on due but unpaid installments of principal and interest scheduled pursuant to this Agreement at the same rate until such amounts are paid in full.

6. "Agency" means: Agency for International Development, Export-Import Bank of the United States, and the Department of Defense.

ARTICLE III

Terms and Conditions of Payment

1. Turkey agrees to repay the consolidated debt in United States dollars in accordance with the following terms and conditions:

(a) The consolidated debt relating to debt described in Article II, paragraphs 2(a) and 2(b) above and currently amounting to \$140.6 million shall be repaid in ten equal semi-annual installments of \$14.06 million, commencing on June 30, 1981, with the final installment payable on December 31, 1985.

(b) The consolidated debt relating to debt described in Article II, paragraph 2(c) above and amounting to \$12.0 million shall be repaid in eight equal semi-annual installments of \$1.50 million, commencing on June 30, 1980, with the final installment payable on December 31, 1983.

(c) The rate of interest shall be 2.7 percent per calendar year on the outstanding balance of the consolidated debt due to the Agency for International Development and to the United States with respect to P.L. 480 agreements, 3.0 percent per calendar year on the outstanding balance of consolidated debt due to the United States with respect to the 1972 consolidation of credits granted to Turkey by the European Monetary Agreement, and 8.0 percent per calendar year on the outstanding balance of consolidated debt due to, guaranteed by, or insured by the Export-Import Bank of the United States or the Department of Defense. All interest payable with respect to the consolidated debt shall be payable semi-annually on December 31 and June 30 of each year commencing on December 31, 1978.

(d) A table summarizing the amounts of the consolidated debt owed to the United States and each agency is attached hereto as Annex B.

2. Turkey agrees to pay the non-consolidated debt in United States dollars in accordance with the following terms and conditions:

(a) The non-consolidated debt related to debt described in Article II, paragraphs 2(a) and 2(b) above and currently amounting to \$35.3 million shall be repaid in four equal semi-annual installments of \$8.82 million commencing on December 31, 1978, with the final installment payable on June 30, 1980.

(b) The non-consolidated debt relating to debt described in Article II, paragraph 2(c) above and amounting to \$3.0 million shall be repaid in four equal semi-annual installments of \$0.75 million commencing on September 30, 1978, with the final installment payable on March 31, 1980.

(c) The rate of interest shall be 2.7 percent per calendar year on the outstanding balance of the non-consolidated debt due to the Agency for International Development and to the United States with respect to P.L. 480 agreements, 3.0 percent per calendar year on the outstanding balance of non-consolidated debt due to the United States with respect to the 1972 consolidation of credits granted to Turkey by the European Monetary Agreement, and 8.0 percent per calendar year on the outstanding balance of non-consolidated debt due to, guaranteed by, or insured by the Export-Import Bank of the United States or the Department of Defense. All interest payable with respect to the non-consolidated debt portion of obligations described in Article II, paragraphs 2(a) and 2(b) above shall be payable semi-annually on December 31 and June 30 of each year commencing on December 31, 1978. All interest payable with respect to the non-consolidated debt portion of obligations described in Article II, paragraph 2(c) above shall be paid semi-annually on March 31, and September 30 of each year, commencing September 30, 1978.

(d) A table summarizing the amounts of non-consolidated debt owed to the United States and each agency is attached hereto as Annex C.

3. It is understood that adjustments will be made in the amounts of consolidated and non-consolidated debt specified in paragraphs 1 and 2 of this Article by the implementing agreements. In part this will reflect disbursements on debt during the consolidation period. Adjustments shall be made to the scheduled repayments commencing with December 31, 1979, pursuant to this Agreement, to reflect increased interest accrued and due during the consolidation period on advances made after the date of this Agreement from Department of Defense guaranteed loans 765-G, 772-G, and 781-G.

ARTICLE IV

General Provisions

1. Turkey agrees to grant the United States and its agencies, and any other creditor which is party to an original contract, treatment and terms no less favorable than that which may be accorded to any other creditor country for the consolidation of debts covered by the Understanding.

2. Except as they may be modified by this Agreement or subsequent implementing agreements, all terms of the original contracts remain unchanged.

ARTICLE V

Entry into Force

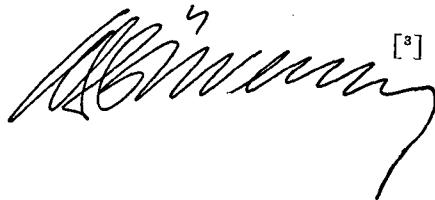
This Agreement shall enter into force upon receipt by Turkey of written notice that domestic United States laws and regulations covering debt rescheduling concerning this Agreement have been complied with.^[1]

DONE at Washington, in duplicate, this twenty-first day of September, 1978.

FOR THE UNITED STATES OF AMERICA:

 [²]

FOR THE REPUBLIC OF TURKEY:

 [³]

¹ Dec. 7, 1978.

² Julius L. Katz.

³ Asaf Guven.

Annex A

Loan Agreements Subject to ReschedulingExport-Import BankDirect Credit
No.

4336	E 4094
4411	E 4224
4514	4575
4532	5083
4587	5134
4637	5931
4893	6056
5047	6135
6172	6143
E 2970	6329
E 2974	6375
E 3361	
E 3827	E 3808
E 3856	5406 (Commitment Fee of)

Financial Guarantees
Credit No.

FG 4412	FG 5084
FG 4515	FG 6330
FG 4576	EFG 3809
FG 4638	EFG 4095
FG 5048	PF 5932

Suppliers Credits
Against Which Claims
Paid

<u>Claim References</u>	<u>Reference Number</u>
CDP-45	300.183/028
CDP-46	310208
CDP-47	Unknown
CDP-48	Unknown
CDP-52	Unknown
CDP-54	Unknown
CDP-55	Unknown
CDP-59	512329
CDP-60	300.204/028
CDP-61	41/68869 41/69743 41/69744

Suppliers Credits
Against Which Claims
Paid (Continued)

<u>Claim Reference</u>	<u>Reference Number</u>
CDP-63	41/73075
CDP-65	41/73076
CDP-68	42729
CDP-70	MM/MAU 203183
CDP-74	300.214/028
P-354	16381
P-355	4509
P-356	05428
P-357	41/72130
P-363	255748
PM-43	KYO-3M1
PM-44	42352/39
PM-45	42493/39
PM-46	M/46
PM-47	311131
PM-48	43751/39
PM-49	43752/39
PM-50	43954/39
	1236/2
	1243/2

P.L. 480 [¹]

Agreements Dated:

March 16, 1970 [²]
 January 29, 1971 [³]
 February 6, 1969 [⁴]

1972 Arrangement Consolidating
Credits Granted to Turkey by
the European Fund of the
European Monetary Agreement

Treasury Transaction #724002

¹ 68 Stat. 454; 7 U.S.C. § 1701 et seq.

² TIAS 6860; 21 UST 1062.

³ TIAS 7055; 22 UST 230.

⁴ TIAS 6045; 20 UST 438.

Agency For International DevelopmentLoan Numbers

277-H-043	277-H-050A	277-H-070
277-H-074	277-H-051	277-H-071
277-H-093	277-H-052	277-H-076
277-B-001	277-H-053	277-H-077
277-B-002	277-H-054	277-H-078
277-B-003	277-H-056	277-H-080
277-A-020	277-H-058	277-H-081
277-H-033	277-H-059	277-H-082
277-H-035	277-H-060	277-H-083
277-H-036	277-H-062	277-H-084
277-H-042	277-H-063	277-H-091
277-H-044	277-H-066	277-H-085
277-H-048	277-H-068	277-H-086
277-H-049A	277-H-069	277-H-087
		277-H-088
		277-H-089
		277-H-092
		277-H-094
		277-K-095

Department of DefenseDirect Credit
No.

721 D	741 D
731 D	751 D

Financial Guarantees
Credit No.

742 G	752 G
743 G	765 G
744 G	771 G
745 G	772 G
	781 G

ANNEX BSUMMARY OF CONSOLIDATED DEBT*

(Millions of Dollars)

	<u>Contracts With A Maturity Of More Than One Year</u>	<u>Contracts With A Maturity Of One Year Or Less</u>	<u>TOTAL</u>
Export-Import Bank	44.0	12.0	56.0
P.L.-480	.7	--	.7
Treasury Transaction #724002	9.5	--	9.5
Agency for International Development	37.4	--	37.4
Department of Defense	<u>49.0</u>	--	<u>49.0</u>
TOTAL	140.6	12.0	152.6

* Data are rounded and subject to revision per Article III,
Paragraph 3. [Footnote in the original.]

ANNEX CSUMMARY OF NON-CONSOLIDATED DEBT*

(Millions of Dollars)

	<u>Contracts With A Maturity Of More Than One Year</u>	<u>Contracts With A Maturity Of One Year Or Less</u>	<u>TOTAL</u>
Export-Import Bank	11.0	3.0	14.0
P.L.-480	.2	-	.2
Treasury Transaction #724002	2.4	-	2.4
Agency for International Development	9.4	-	9.4
Department of Defense	<u>12.3</u>	--	<u>12.3</u>
TOTAL	35.3	3.0	38.3

* Data are rounded and subject to revision per Article III,
Paragraph 3. [Footnote in the original.]

AMERİKA BİRLEŞİK DEVLETLERİ İLE
TÜRKİYE CUMHURİYETİ ARASINDA,
AMERİKA BİRLEŞİK DEVLETLERİNE VE
KURULUŞLARINA OLAN, VEYA BUNLARCA
GARANTİ VEYA SIGORTA EDİLMİŞ OLAN
BAZI BORÇLARIN KONSOLIDASYONU VE
ERTELENMESİNİ İLİŞKİN ANLAŞMA

Amerika Birleşik Devletleri ("Birleşik Devletler") ve
Türkiye Cumhuriyeti ("Türkiye") aşağıdaki hususlarda anlaş-
mışlardır.

MADDE I

İşbu Anlaşmanın Uygulanması

1. Birleşik Devletler temsilcisi de dahil olmak üzere
bazı uluslar temsilcilerinin 20 Mayıs 1978'de varmış oldukları
ve Türkiye temsilcisinin kabul etmiş olduğu Karşılıklı Anlayış
("Karşılıklı Anlayış") hükümleri uyarınca Birleşik Devletler
ve Türkiye işbu Anlaşmayla, Birleşik Devletlere ve Kuruluşlarına
olan ya da bunlarca garanti veya sigorta edilmiş olan bazı Türk

borçlarını işbu Anlaşmada belirtildiği biçimde konsolide etmek ve ertelemek konusunda anlaşmışlardır.

2. P.L.480 Anlaşmaları ve Avrupa Para Anlaşması Avrupa Fon'unca Türkiye'ye verilmiş olan kredileri konsolide eden 1972 düzenlemesi, ve Uluslararası Kalkınma Ajansı (AID), Birleşik Devletler İhracat-İthalat Bankası (EXIMBANK) ve Savunma Bakanlığı'nın herbiri ile Türkiye arasındaki Anlaşmalarla ilgili olmak üzere işbu Anlaşma Türkiye ve Birleşik Devletler arasında düzenlenecek ayrı ayrı anlaşmalar ("Uygulama anlaşmaları") yoluyla uygulanacaktır. Savunma Bakanlığı, Federal Finansman Bankası ile Türkiye arasındaki sözleşmelerle ilgili olarak garanti sözleşmeleri uyarınca Federal Finansman Bankasına ödeyeceği miktarları Uygulama Anlaşması kapsamına alacaktır.

MADDE II

Tanımlar

1. "Sözleşmeler" ya da "Özgün Sözleşmeler", Ek A'da belirtilen anlaşmalar, ve Türk borçluları ile İhracat-İthalat Bankası arasında 1 Ocak 1978 gününe kadar yapılmış olup 20 Mayıs 1978 günü itibarıyle vadesi gelmiş ve ödenmemiş ya da vadeleri Konsolidasyon Döneminde gelecek olan diğer mali düzenlemeler demektir.

2. "Borç", 1 Ocak 1978'den önce yapılmış Sözleşmelere ilişkin olup, aşağıda belirtilen yükümlülükler demektir:

(a) Özgün vadeleri bir yılı aşan Sözleşmeler uyarınca 1 Ocak 1977 - 20 Mayıs 1978 tarihleri arasında vadeleri gelen ancak 20 Mayıs 1978 günü ödenmemiş bulunan anapara ve faiz toplamı.

(b) Özgün vadeleri bir yılı aşan Sözleşmeler uyarınca 21 Mayıs 1978 - 30 Haziran 1978 tarihleri arasında vadeleri gelen anapara ve faiz toplamı; ve

(c) Özgün vadeleri bir yıl ya da daha kısa olan Sözleşmeler uyarınca 1 Ocak 1977 - 20 Mayıs 1978 tarihleri arasında vadeleri gelen, ancak 20 Mayıs 1978 günü ödenmemiş anapara ve faiz toplamı.

3. "Konsolide Borç", yukarıda paragraf 2'de tanımlanan borcun dolar miktarının yüzde 80'i demektir. "Konsolide Edilmiş Borç", yukarıda paragraf 2'de tanımlanan borcun dolar miktarının geriye kalan yüzde 20'si demektir.

4. "Konsolidasyon Süresi", 1 Ocak 1977'den 30 Haziran 1979 (dahil)'a kadar olan süre demektir.

5. "Faiz", Borca uygulanan faiz demektir. Faiz, Madde II, Paragraf 2 (a) ve 2 (c)'de tanımlanan Borç için işbu Anlaşmada Belirlenmiş olan faiz oranları 21 Mayıs 1978 gününden itibaren

işlemeye başlayacak, ve Madde II, Paragraf 2 (b)'de tanımlanan Borçla ilgili olarak belirlenmiş her ödeme için Özgün Sözleşmelerin herbirinde belirtilen ilgili vade tarihlerinde tahakkuk ettirilecek, ve Borcun tümü ödeninceye kadar işlemekte devam edecekdir. İşbu Anlaşma uyarınca zamanlaması yapılmış olan, bunlar tam olarak ödeninceye kadar, aynı faiz oranları üzerinden Ek Faiz tahakkuk ettirilecektir.

6. "Kuruluş", Uluslararası Kalkınma Ajansı (AID), Birleşik Devletler İhracat-İthalat Bankası (EXIMBANK) ve Savunma Bakanlığı demektir.

MADDE III

Ödeme Koşulları

1. Türkiye, aşağıdaki koşullarla Konsolide Borcu A.B.D. dolarıyla geri ödemeyi kabul eder:

(a) Yukarıda Madde II, paragraf 2 (a) ve 2 (b)'de tanımlanmış olan Borçla ilgili ve bugünkü tutarı 140,6 milyon A.B.D. Doları olan Konsolide Borç, ilki 30 Haziran 1981'de sonucusu 31 Aralık 1985'te olmak üzere herbiri 14.06 milyon A.B.D. Dolarlık 6 aylık on eşit taksitte geri ödenecektir.

(b) Yukarıda Madde III, paragraf 2 (c)'de tanımlanmış Borçla ilgili ve tutarı 3,0 milyon A.B.D. Doları olan Konsolide Edilmemiş Borç, ilk 30 Eylül 1978'de sonuncusu 31 Mart 1980'de olmak üzere herbiri 0,75 milyon A.B.D. Dolarlık 6 aylık dört eşit taksitte geri ödenecektir.

(c) Faiz oranı, Uluslararası Kalkınma Ajansına ve P.L. 480 Anlaşmaları uyarınca Birleşik Devletlere borçlu bulunan Konsolide Edilmemiş Borcun geri ödenmemiş kalanı üzerinden takvim yılı esasına göre yıllık yüzde 2,7; Avrupa Para Anlaşması uyarınca Türkiye'ye verilmiş olan kredilerin 1972 Konsolidasyonu çerçevesinde Birleşik Devletlere Borçlu bulunan Konsolide Edilmemiş Borcun geri ödenmemiş kalanı üzerinden takvim yılı esasına göre yıllık yüzde 3,0; ve İhracat-İthalat Bankası ya da Savunma Bakanlığına borçlu bulunan ya da bunlarca garanti edilmiş ya da sigorta edilmiş Konsolide Edilmemiş Borcun geri ödenmemiş kalanı üzerinden takvim yılı esasına göre yüzde 8,0'dır. Yukarıda Madde II, paragraf 2 (a) ve 2 (b)'de tanımlanmış olan yükümlülüklerin Konsolide Edilmemiş Borç bölümüyle ilgili olarak ödenecek tüm faiz, ilki 31 Aralık 1978'de olmak üzere altı ayda bir her yılın 31 Aralık ve 30 Haziran günlerinde ödenecektir. Yukarıda Madde II, paragraf 2 (c)'de tanımlanmış olan yükümlülüklerin Konsolide Edilmemiş Borç bölümüyle ilgili olarak ödenecek tüm faiz, ilki 30 Eylül 1978'de olmak üzere altı ayda bir her yılın

31 Mart ve 30 Eylül günlerinde ödenecektir.

(d) Birleşik Devletlere ve her Kuruluşa borçlu bulunan Konsolide Edilmemiş Borç miktarlarını içeren bir çizelge Ek C olarak işbu Anlaşmaya eklenmiştir.

3. İşbu Maddenin 1 ve 2inci paragraflarında belirtilmiş olan Konsolide ve Konsolide Edilmemiş borç miktarlarında, Uyulama Anlaşmalarıyla ayarlamalar yapılacağı konusunda anlayışa varılmıştır. Bu, bir ölçüde, Konsolidasyon süresi içinde Borçtan yapılacak kullanmaları yansıtacaktır. Savunma Bakanlığının garanti ettiği 765-G, 772-G ve 781-G sayılı borçlardan verilen avanslar üzerinden Konsolidasyon süresi içinde tahakkuk eden ve vadesi gelen artan faizi yansımak üzere işbu Anlaşma uyarınca çizelgeye bağlanmış ve 31 Aralık 1979'da başlayacak olan geri ödemelerde ayarlamalar yapılacaktır.

MADDE IV

Genel Hükümler

1. Türkiye, Anlayış kapsamındaki borçların konsolidasyonu konusunda herhangibir alacaklı ülkeye uygulayabileceği işlem ve koşulların sınını Birleşik Devletlere, Kuruluşlarına ve herhangi-

bir Özgün Sözleşmeye taraf olan diğer herhangibir alacaklıya da uygulamayı kabul eder.

2. İşbu Anlaşma ya da bunu izleyen Uygulama Anlaşmalarınca değiştirilmeleri dışında Özgün Anlaşmaların koşulları üzerinde değişiklik yapılmamış olarak geçerliliklerini sürdürmektedirler.

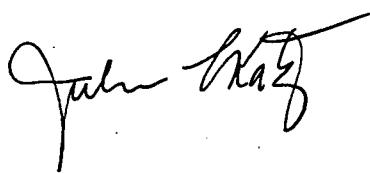
MADDE V

Yürürlüğe Giriş

İşbu Anlaşma, Türkiye'nin, işbu Anlaşmayı ilgilendiren borç ertelemesine uygulanan Birleşik Devletler yasaları, yönetmeliklerinin gereklerinin yerine getirilmiş olduğunu yazılı olarak bildiren belgeyi almasıyla yürürlüğe girecektir.

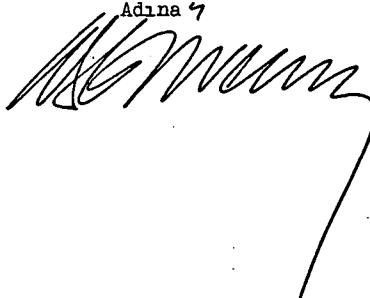
21 Eylül 1978'de iki asıl olarak Washington, D.C.'de aktedilmiştir.

Amerika Birleşik Devletleri
Adına



Türkiye Cumhuriyeti

Adına



TIAS 9361

EK A

Ertelemeye Konu Olan Borç Anlaşmaları
İhracat-İthalat Bankası

Doğrudan Kredi

4336	E 4094
4411	E 4224
4514	4575
4532	5083
4587	5134
4637	5931
4893	6056
5047	6135
6172	6143
E 2970	6329
E 2974	6375
E 3361	
E 3827	E 3808
E 3856	5406 (in taahhüt ücreti)

Mali Garantiler

FG 4412	FG 5084
FG 4515	FG 6330
FG 4576	EFG 3809
FG 4638	EFG 4095
FG 5048	PF 5932

Isteme Karşılık
Ödemeleri Yapılmış

Satıcı Kredileri

<u>Istem</u>	<u>Sayı</u>
CDP-45	300.183/028
CDP-46	310208
CDP-47	Bilinmiyor
CDP-48	Bilinmiyor
CDP-52	Bilinmiyor
CDP-54	Bilinmiyor
CDP-55	512329
CDP-59	300.204/028
CDP-60	41/68869
CDP-61	41/69743 41/69744

Isteme Karşılık
Ödemeleri Yapılmış
Satıcı Kredileri

<u>Istem</u>	<u>Sayı</u>
CDP-63	41/73075
	41/73076
CDP-65	42729
CDP-68	MM/MAU 203183
CDP-70	300.214/028
CDP-74	16381
P-354	4509
P-355	05428
P-356	41/72130
P-357	255748
P-363	KYO-3M1
PM-43	42352/39
PM-44	42493/39
PM-45	M/46
PM-46	311131
PM-47	43751/39
	43752/39
	43954/39
PM-48	1236/2
PM-49	1243/2
PM-50	

P.L. 480

16 Mart 1979

29 Ocak 1971

6 Şubat 1969 günlük Anlaşmalar

Avrupa Para Anlaşması Avrupa Fon'unca

Türkiye'ye verilmiş Olan Kredileri KonsolideEden 1972 DüzenlemesiHazine 724002

Uluslararası Kalkınma AjansıBorç Sayıları

277-H-043	277-H-052	277-H-078
277-H-074	277-H-053	277-H-080
277-H-093	277-H-054	277-H-081
277-B-001	277-H-056	277-H-082
277-B-002	277-H-058	277-H-083
277-B-003	277-H-059	277-H-084
277-A-020	277-H-060	277-H-091
277-H-033	277-H-062	277-H-085
277-H-035	277-H-063	277-H-086
277-H-036	277-H-066	277-H-087
277-H-042	277-H-068	277-H-088
277-H-044	277-H-069	277-H-089
277-H-048	277-H-070	277-H-092
277-H-049A	277-H-071	277-H-094
277-H-050A	277-H-076	277-K-095
277-H-051	277-H-077	

Savunma BakanlığıDoğrudan Kredi

721 D	741 D
731 D	751 D

Mali Garantiler

742 G	765 G
743 G	771 G
744 G	772 G
745 G	781 G
752 G	

EK B

Konsolide Borç Çizelgesi (x)

(milyon A.B.D. Doları Olarak)

	Bir yılı aşan vadeli sözleşmeler	Bir yıl ya da daha kısa vadeli sözleşmeler	Toplam
İhracat-İthalat Bankası	44.0	12.0	56.0
P.L. 480	.7	-----	.7
Hazine 724002	9.5	-----	9.5
Uluslararası Kalkınma Ajansı	37.4	-----	37.4
Savunma Bakanlığı	49.0	-----	49.0
Toplam	140.6	12.0	152.6

(x) Rakamlar yuvarlatılmış olup Madde III, paragraf 3 uyarınca yapılacak değişiklikle konudurlar.

EK C

Konsolide Edilmemiş Borç Çizelgesi (x)

(milyon A.B.D. Doları Olarak)

	Bir yılı aşan vadeli sözleşmeler	Bir yıl ya da daha kısa vadeli sözleşmeler	Toplam
İhracat-İthalat Bankası	11.0	3.0	14.0
P.L. 480	.2	-----	.2
Hazine 724002	2.4	-----	2.4
Uluslararası Kalkınma Ajansı	9.4	-----	9.4
Savunma Bakanlığı	12.3	-----	12.3
Toplam	35.3	3.0	38.3

(x) Rakamlar yuvarlatılmış olup Madde III, paragraf 3 uyarınca yapılacak değişiklikle konudurlar.

**AGREEMENT BETWEEN THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY
REGARDING THE CONSOLIDATION AND RESCHEDULING
OF PAYMENTS DUE UNDER P.L. 480 TITLE I AGRICUL-
TURAL COMMODITY AGREEMENTS**

(1) Reference is made to the Agreements Between the United States of America and the Republic of Turkey identified in Annex A attached to this Memorandum of Agreement and hereinafter referred to as "P.L. 480 Agreements." Reference is made also to the Agreement Between The United States of America and The Republic of Turkey Regarding the Consolidation and Rescheduling of Certain Debts Owed to, Guaranteed or Insured by the United States Government or Its Agencies signed in Washington, D.C., on September 21, 1978, and to the Understanding reached by certain creditor nations of The Republic of Turkey on May 20, 1978, and agreed to by The Republic of Turkey, wherein agreement was reached on the consolidation and rescheduling of repayments under the P.L. 480 Agreements.

(2) In accordance with the Agreement dated September 21, 1978, and the Understanding reached on May 20, 1978, cited above, it is agreed that dollar interest obligations with respect to contracts having an original maturity of more than one year and due between May 21, 1978, and June 30, 1979, shall be repaid as follows:

(a) Interest in the amount of \$653,878.11 which consists of 80 percent of the interest payments due from May 21, 1978, through June 30, 1979, as listed in Annex A, referred to hereafter as the "Consolidated Debt" shall be repaid in ten equal semi-annual installments on June 30 and December 31 with the first payment due on June 30, 1981, and the last payment due on December 31, 1985, as shown in Annex B.

(b) Interest on the outstanding balance of the Consolidated Debt shall accrue at the rate of 2.7 percent per annum beginning on the first day after the due dates under the original agreements, and shall be due and payable beginning on December 31, 1978, and semi-annually thereafter on June 30 and December 31 with the last payment due on December 31, 1985, as shown in Annex B.

(c) Interest in the amount of \$163,469.53 which consists of 20 percent of the interest payments due from May 21, 1978, through June 30, 1979, listed in Annex A, referred to hereafter as the "Non-Consolidated Debt" shall be repaid in four equal semi-annual installments on December 31, and June 30 with the first payment due December 31, 1978, and the last payment due on June 30, 1980, as shown in Annex C.

(d) Interest on the outstanding balance of the Non-Consolidated Debt shall accrue at the rate of 2.7 percent per annum beginning on the first day after the due dates under the original agreements, and shall be due and payable beginning on December 31, 1978, and semi-

annually thereafter on June 30 and December 31 with the last payment due on June 30, 1980, as shown in Annex C.

(e) Additional interest at the rate of 2.7 percent per annum shall accrue to the benefit of the United States of America on any past due unpaid amounts or unpaid portions of amounts as listed in Annex B and Annex C. Application of payments or credits shall be first to any interest due, with any balance to the principal installment due.

(3) To the extent not amended herein, the terms and conditions of the P.L. 480 Agreements shall remain in full force and effect.

(4) Done at Ankara, Turkey in duplicate the fifth day of December, 1978.

FOR THE UNITED STATES OF
AMERICA

RONALD I. SPIERS

Ronald I. Spiers
Ambassador

FOR THE REPUBLIC OF
TURKEY

Z. MUEZZINOGLU

Ziya Muezzinoglu
Minister of Finance

SCHEDULE OF CERTAIN AMOUNTS DUE THE UNITED STATES OF
AMERICA DURING THE PERIOD MAY 21, 1978 AND JUNE 30,
1979 UNDER P.L. 480, TITLE I AGREEMENTS WITH THE RE-
PUBLIC OF TURKEY SHOWING THE AMOUNT OF CONSOLIDATED
AND NON-CONSOLIDATED DEBT

Original Agreement Date and (Delivery Year)	Payment Due Date	Debt	Consolidated Debt	Non-Consolidated Debt
3-16-70 (1970)-----	7-08-78	\$153, 486. 80	\$122, 789. 44	\$30, 697. 36
1-29-71 (1971)-----	7-15-78	436, 006. 38	348, 805. 10	87, 201. 28
2-06-69 (1969)-----	9-30-78	227, 854. 46	182, 283. 57	45, 570. 89
Total-----		\$817, 347. 64	\$653, 878. 11	\$163, 469. 53

COMMODITY CREDIT CORPORATION CONSOLIDATION AND RESCHEDULING OF PAYMENTS AGREEMENT DATED SEPTEMBER 21, 1978 WITH THE REPUBLIC OF TURKEY REPAYMENT SCHEDULE FOR P.L. 480 CONSOLIDATED DEBT

Repayment Terms

Interest: 2.7 percent per annum

Principal: 10 equal semi-annual installments

Installment Due Date	Balance Outstanding	Amount Due		
		Principal	Interest	Total
12-31-78-----	\$653, 878. 11 -----		\$7, 199. 69	\$7, 199. 69
06-30-79-----	653, 878. 11 -----		8, 827. 36	8, 827. 36
12-31-79-----	653, 878. 11 -----		8, 827. 36	8, 827. 36
06-30-80-----	653, 878. 11 -----		8, 827. 36	8, 827. 36
12-31-80-----	653, 878. 11 -----		8, 827. 36	8, 827. 36
06-30-81-----	653, 878. 11 \$65, 387. 81		8, 827. 36	74, 215. 17
12-31-81-----	588, 490. 30 65, 387. 81		7, 944. 62	73, 332. 43
06-30-82-----	523, 102. 49 65, 387. 81		7, 061. 88	72, 449. 69
12-31-82-----	457, 714. 68 65, 387. 81		6, 179. 15	71, 566. 96
06-30-83-----	392, 326. 87 65, 387. 81		5, 296. 42	70, 684. 23
12-31-83-----	326, 939. 06 65, 387. 81		4, 413. 68	69, 801. 49
06-30-84-----	261, 551. 25 65, 387. 81		3, 530. 94	68, 918. 75
12-31-84-----	196, 163. 44 65, 387. 81		2, 648. 21	68, 036. 02
06-30-85-----	130, 775. 63 65, 387. 81		1, 765. 47	67, 153. 28
12-31-85-----	65, 387. 82 65, 387. 82		882. 74	66, 270. 56
Totals-----		\$653, 878. 11	\$91, 059. 60	\$744, 937. 71

UNITED STATES DEPARTMENT OF AGRICULTURE COMMODITY
CREDIT CORPORATION CONSOLIDATION AND RESCHEDULING
OF PAYMENTS AGREEMENT DATED SEPTEMBER 21, 1978 WITH
THE REPUBLIC OF TURKEY REPAYMENT SCHEDULE FOR THE
P.L. 480 NON-CONSOLIDATED DEBT

Repayment Terms

Interest: 2.7 percent per annum

Principal: 4 equal semi-annual installments

Installment Due Date	Balance Outstanding	Principal	Interest	Total
12-31-78-----	\$163, 469. 53	\$40, 867. 38	\$1, 799. 92	\$42, 667. 30
06-30-79-----	122, 602. 15	40, 867. 38	1, 655. 13	42, 522. 51
12-31-79-----	81, 734. 77	40, 867. 38	1, 103. 42	41, 970. 80
06-30-80-----	40, 867. 39	40, 867. 39	551. 71	41, 419. 10
Totals-----	\$163, 469. 53		\$5, 110. 18	\$168, 579. 71

IMPLEMENTING AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY REGARDING THE CONSOLIDATION AND RESCHEDULING OF CERTAIN DEBTS OWED TO THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Implementing Agreement dated December 5, 1978, between the United States of America and the Republic of Turkey.

WHEREAS, the United States of America, acting through the Agency for International Development ("A.I.D.") has made certain loans to, or for the benefit of, the Republic of Turkey ("Turkey");

WHEREAS, the Government of the United States and the Government of Turkey have agreed to rescheduling arrangements pursuant to an understanding reached by the Government of the United States and the OECD Consortium including the United States, dated May 20, 1978, on the rescheduling and consolidation of Turkey's debts;

WHEREAS, the Government of the United States and the Government of Turkey have agreed to rescheduling arrangements pursuant to an Agreement Regarding the Consolidation and Rescheduling of Certain Debts Owed to, Guaranteed or Insured by the United States Government and its Agencies, dated September 21, 1978 (the "Rescheduling Agreement"); and

WHEREAS, the Rescheduling Agreement is to be implemented by separate agreements (the "Implementing Agreements") between Turkey and the United States and certain United States agencies, including A.I.D.;

NOW THEREFORE, the parties hereto agree as follows:

PART I. Rescheduled Debt

Certain debts incurred by Turkey and owing to A.I.D. pursuant to the Loan Agreements listed in Schedule A attached hereto are hereby rescheduled as provided in this Agreement.

For purposes of this Agreement, "debt" means the following obligations with respect to loan agreements executed prior to January 1, 1978;

(a) The sum of principal and interest payable with respect to loan agreements having an original maturity of more than one year, due between January 1, 1977 and May 20, 1978 and remaining unpaid on May 20, 1978.

(b) The sum of principal and interest payable with respect to loan agreements having an original maturity of more than one year and due between May 21, 1978 and June 30, 1979, and

"Consolidated Debt" means eighty percent (80%) of the dollar amount of the debt described above, and "Non-consolidated Debt" shall mean the remaining twenty percent (20%) of the debt described above.

SECTION 1. Consolidated Debt. Turkey shall pay to A.I.D. the Consolidated Debt as set forth in Schedule B amounting to \$37,437,-736.90 in ten (10) equal installments of \$3,743,773.69 payable on June 30 and December 31 of each year commencing on June 30, 1981, with the final installment due on December 31, 1985.

Turkey shall pay to A.I.D. interest at the rate of 2.7 percent per annum on the outstanding balance of the Consolidated Debt and on any due and unpaid interest thereon. Interest on such amounts shall accrue from May 21, 1978 or on such later date as such amounts may become due and shall be paid semi-annually on December 31 and June 30 of each year, commencing on December 31, 1978.

SECTION 2. Non-Consolidated Debt. Turkey shall pay to A.I.D. the Non-consolidated Debt as set forth in Schedule C amounting to \$9,359,434.23 in four (4) approximately equal semi-annual installments payable on June 30 and December 31 of each year, commencing on December 31, 1978, with final payment due on June 30, 1980.

Turkey shall pay to A.I.D. interest at the rate of 2.7 percent per annum on the outstanding balance of the Non-consolidated Debt and on any due and unpaid interest thereon. Interest on such amounts shall accrue from May 21, 1978 or on such later date as such amounts may become due and shall be paid semi-annually on December 31 and June 30 of each year, commencing December 31, 1978.

PART II. General Provisions

SECTION 1. Other Obligations. Except as otherwise expressly provided herein, all obligations including payment of debts other than those consolidated and rescheduled hereunder, which become due and payable by Turkey to A.I.D., pursuant to each of the Agreements shall be paid in accordance with the existing terms of each of the Agreements. To the extent not modified by this Agreement, the existing terms and conditions of such Loan Agreements, including events of default and remedies upon default, remain in full force and effect.

SECTION 2. Adjustment. The payments provided for in this Agreement, together with the figures from which such amounts are derived, are subject to correction and/or adjustment in accordance with the terms of the Rescheduling Agreement.

SECTION 3. Application of Payment. Any payment pursuant to Part I, Section 1, hereof will be applied first to accrued interest on Consolidated Debt and then to repayment of principal of such debt. Any payment pursuant to Part I, Section 2, hereof will be applied first to accrued interest on Non-consolidated Debt and then to repayment of principal of such debt. Subject to the preceding, Turkey shall have the right to prepay without penalty any portion of the debt due hereunder, provided that Turkey is not otherwise in default on any payment due under the Loan Agreements listed in Schedule A.

Any such prepayment will first be applied to the Non-consolidated Debt and then to Consolidated Debt.

SECTION 4. Place and Currency of Payment. Payments hereunder shall be in U.S. Dollars and shall be delivered to the Federal Reserve Bank, New York for credit to the Agency for International Development (Account No. 72-00-0001).

SECTION 5. Entry Into Force. This implementing agreement shall enter into force upon receipt by Turkey of written notice that domestic United States laws and regulations covering debt rescheduling concerning the rescheduling agreement have been complied with.

IN WITNESS HEREOF, A.I.D. and Turkey, each acting through its respective duly authorized representative, have caused this agreement to be signed in their respective names and delivered as of the day and year first above written.

FOR THE UNITED STATES OF
AMERICA

RONALD I. SPIERS

Ronald I. Spiers
Ambassador

FOR THE REPUBLIC OF
TURKEY

Z MÜEZZINOGLU

Ziya Müezzinoglu
Minister of Finance

SCHEDULE A
RESCHEDULED LOANS
AGENCY FOR INTERNATIONAL DEVELOPMENT

277-B-001	277-H-054	277-H-080
277-B-002	277-H-056	277-H-081
277-B-003	277-H-058	277-H-082
277-A-020	277-H-059	277-H-083
277-H-033	277-H-060	277-H-084
277-H-035	277-H-062	277-H-085
277-H-036	277-H-063	277-H-086
277-H-042	277-H-066	277-H-087
277-H-043	277-H-068	277-H-088
277-H-044	277-H-069	277-H-089
277-H-048	277-H-070	277-H-091
277-H-049A	377-H-071	277-H-092
277-H-050A	277-H-074	277-H-093
277-H-051	277-H-076	277-H-094
277-H-052	277-H-077	277-K-095
277-H-053	277-H-078	

SCHEDULE B
CONSOLIDATED DEBT 1/1/77 -- 6/30/79

<u>LOAN NUMBER</u>	<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>		<u>PRIN. 80%</u>	<u>INT. 80%</u>	<u>TOTAL 80%</u>
				\$	\$			
277-B-001	06/30/78	\$ 680,000.00	\$ 101,000.00	\$ 781,000.00	\$ 544,000.00	\$ 80,800.00	\$ 74,000.00	\$ 624,800.00
	12/30/78	680,000.00	92,500.00	772,500.00	544,000.00	67,200.00	61,800.00	618,000.00
277-B-002	06/30/79	680,000.00	84,000.00	764,000.00	544,000.00	67,200.00	61,200.00	611,200.00
	06/30/78	773,415.87	121,913.67	895,329.54	618,732.70	97,530.94	716,263.64	
	12/30/78	783,083.77	112,245.97	895,329.54	626,466.86	89,796.78	716,263.64	
	06/30/79	792,872.12	102,457.42	895,329.54	634,297.70	81,965.94	716,263.64	
277-B-003	06/30/78	223,356.58	59,459.66	282,816.24	178,685.26	47,567.73	226,252.99	226,252.99
	12/30/78	226,148.53	56,667.71	282,816.24	180,918.82	45,334.17		
	06/30/79	228,975.39	53,840.85	282,816.24	183,180.31	43,072.68	226,252.99	
277-A-020	10/02/78	2,145,064.70	470,764.19	2,615,828.89	1,716,051.76	376,611.35	2,092,663.11	
	04/02/79	2,006,735.31	409,093.58	2,615,828.89	1,765,388.25	327,274.86	2,082,663.11	
277-H-033	08/24/78	163,743.08	33,157.97	196,901.05	130,994.46	26,526.38	157,520.84	
	02/24/79	163,743.08	32,543.94	196,287.02	130,994.46	26,035.15	157,039.61	
	09/30/78	490,533.26	76,582.51	477,115.77	320,426.61	61,626.01	381,682.62	
277-H-035	03/30/79	400,533.26	75,080.51	475,613.77	320,426.61	60,064.41	380,491.02	
	10/16/78	5,147.24	1,003.71	6,150.95	4,117.79	802.97	4,920.76	
277-H-036	04/16/79	5,147.24	984.41	6,131.65	4,117.79	787.53	4,895.32	
277-H-042	09/21/78	44,900.46	8,923.97	53,824.43	35,920.37	—	7,139.18	43,059.55
	03/21/79	44,900.46	8,753.59	53,556.05	35,920.37	—	7,004.47	42,924.84
277-H-043	04/25/78	512,009.52	108,995.35	681,004.87	457,607.62	81,196.28	544,803.90	
	10/25/78	512,009.52	106,503.31	678,859.83	457,607.62	85,460.25	543,087.87	
	04/25/79	512,009.52	104,705.27	676,714.79	457,607.62	83,764.22	541,371.84	
277-H-044	08/01/78	295,974.87	59,934.91	355,909.78	236,779.90	47,947.93	284,727.83	
	02/01/79	295,974.87	58,825.01	354,799.88	236,779.90	47,060.01	283,839.91	
277-H-048	06/12/78	904,945.34	625,758.24	1,530,703.58	723,956.27	500,606.59	1,224,562.86	
	12/12/78	913,994.79	616,708.79	1,530,703.58	731,195.83	493,367.03	1,224,562.86	
	06/12/79	923,134.74	607,688.44	1,530,703.58	738,507.79	486,045.07	1,224,562.86	
277-H-049A	06/01/78	62,562.85	46,659.99	109,222.84	50,050.28	37,327.99	87,378.27	
	12/01/78	63,188.47	46,034.36	109,222.83	50,550.78	36,827.49	87,378.27	
	06/01/79	63,820.36	45,402.47	109,222.83	51,056.29	36,321.98	87,378.27	
	06/30/78	31,187.23	23,157.77	54,945.00	25,429.78	18,526.22	43,956.00	
	12/30/78	32,105.10	22,339.90	54,945.00	25,684.08	18,271.92	43,956.00	
	06/30/79	32,426.15	22,518.85	54,945.00	25,940.92	18,015.08	43,956.00	
277-H-051	10/27/78	11,513.72	8,587.04	20,100.76	9,210.98	6,869.63	16,080.61	
	04/27/79	11,628.86	8,771.90	20,100.76	9,303.09	6,777.52	16,080.61	
Page Totals		\$ 16,007,386.06	\$ 4,413,994.66	\$ 20,421,380.72	\$ 12,805,908.87	\$ 3,531,195.76	\$ 16,337,104.63	

CONSOLIDATED DEBT 1/1/77 -- 6/30/79							TOTAL 80%
LOAN NUMBER	DUE DATE	PRINCIPAL	INTEREST	TOTAL	PRIN. 80%	INT. 80%	
277-H-052	07/28/78	\$ 3,932.25	\$ 2,932.71	\$ 6,864.96	\$ 3,145.80	\$ 2,346.17	\$ 5,491.97
277-H-053	01/28/79	3,971.57	2,993.39	6,964.96	3,177.26	2,314.71	5,491.97
263-H-056	05/22/79	192,093.03	143,264.87	335,357.90	153,674.42	114,611.90	268,286.32
277-H-054	11/22/78	194,013.45	141,343.93	335,357.38	155,210.76	113,075.14	268,286.30
277-H-055	05/22/79	195,954.09	139,403.79	335,357.88	155,763.27	111,523.03	268,286.30
277-H-056	06/30/78	44,258.85	32,176.02	76,434.87	35,407.08	25,740.82	61,147.90
277-H-057	12/30/78	44,701.44	31,733.43	76,434.87	35,761.15	25,386.75	61,147.90
277-H-058	04/07/78	45,148.45	31,286.42	76,434.87	36,118.76	25,029.14	61,147.90
277-H-059	05/30/78	51,038.11	50,584.71	101,612.82	40,822.49	40,487.77	81,280.26
277-H-060	11/23/78	51,865.96	49,446.86	101,612.82	41,332.77	39,937.49	81,280.26
277-H-061	05/23/79	52,311.78	49,301.04	101,612.82	41,849.42	39,440.84	81,280.26
277-H-062	10/07/78	956,504.84	904,312.35	1,860,817.19	765,203.87	723,449.88	1,488,653.75
277-H-063	01/03/78	968,461.15	892,356.04	1,860,817.19	774,768.92	713,864.83	1,488,653.75
277-H-064	02/27/74	28,274.00	29,119.96	57,393.96	22,619.20	23,251.97	45,915.17
277-H-065	05/03/79	28,627.43	28,766.53	57,393.96	22,901.94	23,013.23	45,915.17
277-H-066	09/24/78	52,212.16	55,108.55	107,320.71	41,769.73	44,086.84	85,856.57
277-H-067	03/24/79	52,864.81	54,455.90	107,320.71	42,291.85	43,564.72	85,856.57
277-H-068	07/28/78	29,435.83	30,311.46	59,737.29	23,540.66	24,249.17	47,789.83
277-H-069	01/28/79	29,793.65	29,943.64	59,737.29	23,834.92	23,954.91	47,789.83
277-H-070	09/25/78	354,972.31	374,663.81	729,636.12	283,977.85	289,731.04-	563,708.89
277-H-071	03/22/79	359,409.46	370,226.66	729,316.12	287,527.57	286,181.32	563,708.89
277-H-072	07/06/78	811,189.62	820,206.86	1,631,396.48	648,951.69	656,165.88	1,305,117.17
277-H-073	01/06/79	821,329.49	807,375.94	1,629,305.43	657,063.59	645,380.75	1,303,444.34
277-H-074	10/23/78	- 0 -	10,294.29	10,294.29	- 0 -	- 0 -	8,235.43
277-H-075	04/23/79	22,704.23	10,294.29	32,998.52	18,163.38	8,235.43	26,398.81
277-H-076	09/19/78	135,237.44	146,210.81	281,448.25	108,189.95	116,968.65-	225,158.60
277-H-077	02/07/79	136,937.92	144,523.77	281,451.69	109,542.34	115,619.02	225,158.60
277-H-078	12/18/78	257,911.18	327,986.47	623,897.65	236,728.94	262,389.18	499,118.12
277-H-079	06/18/78	299,610.07	323,928.44	623,538.51	239,688.06	259,142.75	498,830.81
277-H-080	06/18/79	303,355.19	320,183.32	623,538.51	242,684.15	246,146.66	498,830.81
277-H-081	09/19/78	168,288.60	179,823.42	350,195.02	136,614.87	145,541.13	280,156.00
277-H-082	03/19/79	170,371.96	179,823.42	350,195.02	136,297.55	143,858.44	280,156.00
277-H-083	05/08/78	735,127.06	788,726.30	1,523,853.36	588,101.65	630,981.04	1,219,082.68
277-H-084	11/08/78	744,316.15	779,537.21	1,523,853.36	593,452.92	623,629.76	1,219,082.68
277-H-085	05/08/79	753,620.10	770,233.26	1,523,853.36	602,895.08	616,186.60	1,219,082.68
277-H-086	09/12/78	- 0 -	148,758.87	148,758.87	- 0 -	119,007.10	119,007.10
277-H-087	03/12/79	328,090.21	148,758.87	476,849.08	262,442.17	119,007.10	381,479.27

TIAS 9361

LOAN NUMBER	DUE DATE	PRINCIPAL	INTEREST	TOTAL	PRIN. 8.0%	INT. 8.0%	TOTAL 8.0%	CONSOLIDATED DEBT 1/1/77 -- 6/30/79			
								TOTAL	PRIN.	INT.	TOTAL
277-H-077	09/26/78	\$ 21,931.05	\$ 9,943.72	\$ 31,874.77	\$ 17,544.84	\$ 7,954.98	\$ 25,499.82				
	03/16/79	22,205.19	24,586.16	46,790.35	17,784.15	19,668.13	37,432.28				
277-H-078	09/16/78	184,459.26	56,251.72	240,710.98	147,367.41	45,001.38	192,568.79				
	03/16/79	184,459.26	138,323.56	322,782.82	147,367.41	110,658.84	258,226.25				
277-H-080	05/22/78	- 0 -	19,933.95	19,933.95	- 0 -	15,947.16	15,947.16				
	11/22/78	- 0 -	19,933.95	19,933.95	- 0 -	15,947.16	15,947.16				
277-H-081	06/10/78	\$ 25,548.49	11,583.90	37,112.39	20,438.79	9,267.12	29,705.91				
	12/10/78	25,867.85	28,640.40	54,508.25	20,594.28	22,912.32	43,606.60				
277-H-082	06/10/79	26,191.20	28,317.05	54,508.25	20,592.96	22,653.64	43,606.60				
	-7/17/78	- 0 -	16,687.73	16,687.73	- 0 -	13,350.18	13,350.18				
277-H-083	01/17/79	35,792.38	16,674.02	53,446.40	29,433.90	13,339.22	42,773.12				
	07/09/78	- 0 -	21,960.67	21,960.67	- 0 -	17,568.54	17,568.54				
277-H-084	01/09/79	- 0 -	21,951.95	21,951.95	- 0 -	17,561.56	17,561.56				
277-H-085	06/16/79	- 0 -	37,238.95	37,238.95	37,238.95	29,802.58	29,802.58				
	12/16/78	- 0 -	37,238.95	37,238.95	- 0 -	29,791.16	29,791.16				
277-H-086	07/09/79	32,131.13	37,238.95	119,370.08	65,704.90	29,791.16	95,436.06				
	01/05/79	395,673.43	395,673.43	831,551.86	348,702.74	316,538.74	665,241.48				
277-H-087	07/06/79	435,978.43	435,978.43	831,551.86	348,702.74	316,538.74	665,241.48				
	01/05/79	441,326.91	488,623.92	929,955.83	353,061.53	390,903.14	744,954.67				
277-H-088	11/17/78	- 0 -	26,558.96	26,558.96	- 0 -	21,487.17	21,487.17				
	05/17/79	- 0 -	26,858.96	26,858.96	- 0 -	21,487.17	21,487.17				
277-H-089	07/06/78	- 0 -	49,876.47	49,876.47	- 0 -	462,681.72	462,681.72				
	01/06/79	- 0 -	49,876.47	49,876.47	- 0 -	462,681.72	462,681.72				
277-H-090	07/19/78	- 0 -	119,937.64	119,937.64	- 0 -	95,950.11	95,950.11				
	01/17/79	- 0 -	119,753.91	119,753.91	- 0 -	- 95,950.11	- 95,950.11				
277-H-091	10/19/78	- 0 -	388,012.72	388,012.72	- 0 -	310,410.18	310,410.18				
	04/19/79	- 0 -	387,247.23	387,247.23	- 0 -	309,797.83	309,797.83				
277-H-092	08/28/78	- 0 -	578,352.15	578,352.15	- 0 -	462,681.72	462,681.72				
	02/28/79	- 0 -	241,804.78	241,804.78	- 0 -	193,443.82	193,443.82				
277-H-093	05/18/78	- 0 -	396,316.18	396,316.18	- 0 -	317,052.94	317,052.94				
	11/18/78	- 0 -	396,316.18	396,316.18	- 0 -	317,052.94	317,052.94				
277-H-094	05/18/79	- 0 -	400,000.00	400,000.00	- 0 -	320,000.00	320,000.00				
	07/02/78	- 0 -	89,824.38	89,824.38	- 0 -	71,859.50	71,859.50				
277-K-095	01/02/79	- 0 -	89,824.38	89,824.38	- 0 -	71,859.50	71,859.50				
(formerly 290-K-002)	09/24/78	132,184.51	96,836.79	229,021.30	105,747.60	77,469.43	183,217.03				
	03/24/79	133,366.36	95,514.93	229,021.29	106,805.08	76,411.94	183,217.02				
Page Totals		\$ 1,752,482.02	\$ 5,804,124.33	\$ 7,556,606.35	\$ 1,401,985.59	\$ 4,643,299.45	\$ 6,045,285.04				
GRAND TOTALS		\$ 27,225,551.92	\$ 19,571,619.24	\$ 46,797,171.16	\$ 21,780,441.50	\$ 15,657,295.40	\$ 37,437,736.90				

SCHEDULE C

NON-CONSOLIDATED DEBT 1/1/77 -- 6/30/79

<u>LOAN NUMBER</u>	<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRIN. 20%</u>	<u>INT. 20%</u>	<u>TOTAL 20%</u>
277-B-001	06/30/78	\$ 680,000.00	\$ 101,000.00	\$ 781,000.00	\$ 136,000.00	\$ 20,200.00	\$ 156,200.00
	12/30/78	92,500.00	772,500.00	136,000.00	18,500.00	15,500.00	152,800.00
	06/30/79	680,000.00	84,000.00	764,000.00	136,000.00	16,800.00	152,800.00
277-B-002	06/30/78	713,415.87	121,913.67	895,329.54	154,683.17	24,382.73	179,065.90
	12/30/78	112,945.57	102,457.42	895,329.54	156,616.71	22,449.19	179,065.90
	06/30/79	792,872.12	59,459.66	895,329.54	158,574.54	20,491.48	179,065.90
277-B-003	06/30/78	223,356.58	56,667.71	282,816.74	44,671.32	11,891.93	56,563.25
	12/30/78	226,148.53	282,816.74	45,229.71	11,333.54	56,563.25	56,563.25
	06/30/79	228,975.39	53,840.85	282,816.74	45,795.08	10,768.17	56,563.25
277-A-020	10/02/78	2,145,064.70	470,764.19	2,615,828.89	429,012.94	94,152.84	523,165.78
	04/02/79	2,006,735.31	409,093.58	2,615,728.89	441,347.06	81,818.72	523,165.78
277-H-033	08/24/78	163,743.08	33,157.97	196,901.05	32,748.62	6,631.59	39,380.21
	02/24/79	163,743.08	32,943.94	196,287.02	32,748.62	6,508.79	39,257.41
277-H-035	09/30/78	400,533.26	76,582.51	477,115.77	80,106.65	15,316.50	95,423.15
	03/30/79	400,533.26	75,980.51	475,613.77	80,106.65	15,016.10	95,122.75
277-H-036	10/16/78	5,147.24	1,003.71	6,150.95	1,029.45	200.74	1,230.19
	04/16/79	5,147.24	984.41	6,131.65	1,029.45	196.88	1,228.33
277-H-042	09/21/78	44,900.46	8,923.97	53,824.43	-	8,980.09	1,784.79
	03/21/79	44,900.46	8,755.59	53,556.05	-	8,980.09	1,751.12
277-H-043	04/25/78	572,009.52	108,995.35	681,004.87	114,401.90	21,799.07	136,200.78
	10/25/78	572,009.52	106,850.31	678,959.83	-	114,401.90	21,370.06
	04/25/79	572,009.52	104,705.27	676,714.79	114,401.90	20,941.05	135,342.95
277-H-044	08/01/78	298,974.87	59,934.91	355,909.78	59,194.97	11,986.98	71,181.95
	02/01/79	298,974.87	58,925.01	354,799.88	59,194.97	11,765.00	70,988.97
277-H-048	06/12/78	904,945.34	825,758.24	1,630,703.58	180,989.07	125,151.65	306,140.72
	12/12/78	913,954.79	616,708.79	1,530,703.58	182,798.96	123,341.76	306,140.72
	06/12/79	923,134.74	607,568.84	1,530,703.58	184,626.95	121,513.77	306,140.72
277-H-049A	06/01/78	62,582.85	46,659.99	109,222.84	12,512.57	9,332.00	21,844.57
	12/01/78	63,188.47	46,034.36	109,222.83	12,637.69	9,206.87	21,844.56
277-H-050A	06/01/79	63,820.36	45,402.47	109,222.83	12,764.07	9,080.49	21,844.56
	06/30/78	31,787.23	23,157.77	54,945.00	6,357.45	4,631.55	10,988.00
	12/30/78	32,105.10	22,839.90	54,945.00	6,421.02	4,567.98	10,988.00
	06/30/79	32,426.15	22,518.85	54,945.00	6,485.23	4,503.77	10,988.00
277-H-051	10/27/78	11,513.72	8,887.04	20,100.76	2,302.74	1,717.41	4,020.15
	04/27/79	11,628.86	8,471.90	20,100.76	2,325.77	1,694.38	4,020.15
Page Totals		\$ 16,007,386.06	\$ 4,413,994.66	\$ 20,421,380.72	\$ 3,201,477.19	\$ 882,798.90	\$ 4,084,276.09

NON-CONSOLIDATED DEBT 1/1/77 -- 6/30/79									
LOAN NUMBER	DUE DATE	PRINCIPAL	INTEREST	TOTAL	PRIN. 20%	INT. 20%			TOTAL 20%
277-H-052	07/28/78	\$ 3,932.25	\$ 2,932.71	\$ 6,864.96	\$ 786.45	\$ 586.54	\$ 1,372.99		1,372.99
	01/28/79	3,971.57	2,893.39	6,864.96	794.31	578.68	1,372.99		
277-H-053	05/22/79	182,093.03	143,264.87	335,357.90	38,418.61	28,652.97	67,071.58		67,071.58
	-	194,013.45	141,343.93	335,357.38	38,802.69	28,268.79	67,071.48		
277-H-054	11/22/78	05/22/79	185,954.09	139,403.79	335,357.88	39,190.82	27,880.76		67,071.58
	-	44,258.85	32,176.02	76,434.87	8,851.77	6,435.20	15,286.97		
277-H-055	12/30/78	06/30/79	44,701.44	31,733.43	76,434.87	8,940.29	6,346.68		15,286.97
	-	45,148.45	31,286.42	76,434.87	9,029.69	6,257.28	15,286.97		
263-H-056	05/23/78	51,028.11	50,584.71	101,612.82	10,205.62	10,116.94	20,322.56		20,322.56
	-	51,665.96	49,946.86	101,612.82	10,333.19	9,989.37	20,322.56		
277-H-058	05/23/79	52,311.78	49,301.04	101,612.82	10,462.36	9,860.20	20,322.56		
	10/07/78	965,504.84	904,312.35	1,860,817.19	191,300.97	180,862.47	372,163.44		
277-H-059	04/07/79	966,461.15	832,356.04	1,860,817.19	193,692.23	178,471.21	372,163.44		
	11/03/78	28,274.00	29,119.96	57,393.96	5,544.80	5,823.99	11,478.79		
277-H-060	05/03/79	55,708.55	55,108.55	107,820.71	10,442.43	11,021.71	21,464.14		
	09/24/78	52,212.16	54,455.90	107,320.71	10,572.96	10,891.18	21,464.14		
277-H-062	03/24/79	52,864.81	50,311.46	59,737.29	5,885.17	6,062.29	11,947.46		
277-H-063	01/28/79	29,733.65	29,943.64	59,737.29	5,958.73	5,988.73	11,947.46		
	09/25/78	35,972.31	374,663.81	729,636.12	70,994.46	74,932.76	145,927.22		
277-H-066	03/22/79	370,226.66	729,636.12	71,881.89	74,045.33	145,927.22			
	07/06/78	35,409.46	820,206.86	1,631,396.48	162,237.93	164,041.38	326,279.31		
277-H-067	01/06/79	811,189.62	1,639,305.43	164,265.90	161,595.19	161,595.19	326,279.31		
	-	82,329.49	807,975.94	-	-	-	326,279.31		
277-H-068	10/23/78	- 9	10,294.29	10,294.29	0 -	2,058.86	2,058.86		
	-	04/23/79	-	32,998.52	4,540.85	2,058.86	6,599.71		
277-H-069	08/07/78	133,237.44	146,210.81	281,448.25	27,047.49	29,242.16	56,289.65		
	02/07/79	136,523.77	144,523.77	281,451.69	27,385.58	28,904.75	56,290.33		
277-H-070	06/18/78	295,911.18	327,986.47	623,897.65	59,182.24	65,597.29	124,779.53		
	12/18/78	299,610.07	323,928.44	623,538.51	59,922.01	64,785.69	124,707.70		
277-H-071	06/18/79	303,355.19	320,183.32	623,538.51	60,710.04	64,036.66	124,707.70		
	09/19/78	169,268.60	181,926.42	350,195.02	33,653.73	36,385.29	70,039.02		
277-H-072	03/19/79	170,371.96	179,823.06	350,195.02	34,074.40	35,964.62	70,039.02		
	05/08/78	735,127.06	768,726.30	1,523,853.36	147,025.41	157,745.26	304,770.67		
277-H-074	11/08/78	744,316.15	779,537.21	1,523,853.36	148,863.23	155,907.45	304,770.67		
	05/08/79	753,620.10	770,233.26	1,523,853.36	150,724.02	154,046.66	304,770.67		
277-H-076	09/12/78	- 0 -	148,758.87	148,758.87	0 -	29,751.77	29,751.77		
	03/12/79	328,090.21	148,758.87	476,849.08	65,618.04	29,751.77	95,369.81		
Page Totals		\$ 9,465,683.84	\$ 9,353,500.25	\$ 18,819,184.09	\$ 1,893,136.80	\$ 1,870,700.04	\$ 3,763,836.84		

				NON-CONSOLIDATED DEBT		1/1/77 -- 6/30/79			
				INTEREST		TOTAL			
		PRINCIPAL		\$		\$			
LOAN NUMBER	DU DATE	PRINCIPAL	INTEREST	TOTAL	PRIN. 20%	TOTAL	PRIN. 20%	INT. 20%	TOTAL 20%
277-H-077	09/26/78	\$ 21,931.05	\$ 9,943.72	\$ 31,874.77	\$ 4,336.21	\$ 1,988.74	\$ 4,441.04	\$ 4,917.03	\$ 6,374.95
03/16/79	03/16/79	22,205.19	24,585.16	46,190.35	4,441.04	9,358.07	11,230.34	11,230.34	9,358.07
277-H-078	184,459.26	56,251.72	240,710.98	36,891.85	27,654.71	64,556.56	48,142.19	48,142.19	64,556.56
03/16/79	184,459.26	138,323.56	322,782.82	36,891.85	0 -	3,986.79	3,986.79	3,986.79	3,986.79
277-H-080	05/22/78	- 0 -	19,933.95	19,933.95	- 0 -	3,986.79	3,986.79	3,986.79	3,986.79
11/22/78	- 0 -	19,933.95	19,933.95	- 0 -	3,986.79	3,986.79	3,986.79	3,986.79	3,986.79
05/22/79	- 0 -	19,933.95	19,933.95	- 0 -	3,986.79	3,986.79	3,986.79	3,986.79	3,986.79
277-H-081	06/10/78	25,548.49	11,583.90	37,132.39	5,109.70	2,316.78	7,126.48	7,126.48	7,126.48
12/10/78	25,867.85	28,640.40	54,508.25	5,113.57	5,728.08	10,901.65	10,901.65	10,901.65	10,901.65
06/10/79	26,191.20	28,317.05	54,508.25	5,238.24	5,663.41	10,901.65	10,901.65	10,901.65	10,901.65
07/17/78	- 0 -	16,887.73	16,687.73	- 0 -	3,337.55	3,337.55	3,337.55	3,337.55	3,337.55
01/17/79	36,732.38	16,574.02	53,466.40	7,338.48	3,334.80	10,932.28	4,392.13	4,392.13	4,392.13
07/09/78	- 0 -	21,960.67	21,960.67	- 0 -	4,392.13	4,392.13	4,392.13	4,392.13	4,392.13
01/09/79	- 0 -	21,951.95	21,951.95	- 0 -	4,390.39	4,390.39	4,390.39	4,390.39	4,390.39
06/16/78	- 0 -	37,253.23	37,253.23	- 0 -	7,450.65	7,450.65	7,450.65	7,450.65	7,450.65
12/16/78	- 0 -	37,238.95	37,238.95	- 0 -	7,447.79	7,447.79	7,447.79	7,447.79	7,447.79
06/16/79	82,131.13	37,238.95	119,370.08	16,426.23	7,447.79	23,974.02	23,974.02	23,974.02	23,974.02
07/05/79	435,878.43	395,673.43	831,551.86	87,115.69	29,134.69	166,310.38	166,310.38	166,310.38	166,310.38
01/05/79	441,326.91	488,528.92	929,955.83	88,265.38	29,134.69	185,991.16	185,991.16	185,991.16	185,991.16
11/17/78	- 0 -	26,858.96	26,858.96	- 0 -	5,371.79	5,371.79	5,371.79	5,371.79	5,371.79
05/17/79	- 0 -	26,858.96	26,858.96	- 0 -	5,371.79	5,371.79	5,371.79	5,371.79	5,371.79
07/06/78	- 0 -	49,876.47	49,876.47	- 0 -	9,975.29	9,975.29	9,975.29	9,975.29	9,975.29
01/06/79	- 0 -	49,876.47	49,876.47	- 0 -	9,975.29	9,975.29	9,975.29	9,975.29	9,975.29
07/19/78	- 0 -	119,937.64	119,937.64	- 0 -	23,987.53	23,987.53	23,987.53	23,987.53	23,987.53
01/17/79	- 0 -	119,753.91	119,753.91	- 0 -	23,950.78	23,950.78	23,950.78	23,950.78	23,950.78
07/11/78	- 0 -	388,012.72	388,012.72	- 0 -	77,662.54	77,662.54	77,662.54	77,662.54	77,662.54
01/11/79	- 0 -	387,247.29	387,247.29	- 0 -	77,449.46	77,449.46	77,449.46	77,449.46	77,449.46
10/19/78	- 0 -	578,352.15	578,352.15	- 0 -	115,670.43	115,670.43	115,670.43	115,670.43	115,670.43
04/19/79	- 0 -	578,352.15	578,352.15	- 0 -	115,670.43	115,670.43	115,670.43	115,670.43	115,670.43
08/28/78	- 0 -	241,804.78	241,804.78	- 0 -	48,350.96	48,350.96	48,350.96	48,350.96	48,350.96
02/28/79	- 0 -	241,804.78	241,804.78	- 0 -	48,350.96	48,350.96	48,350.96	48,350.96	48,350.96
05/18/78	- 0 -	396,316.18	396,316.18	- 0 -	79,263.24	79,263.24	79,263.24	79,263.24	79,263.24
11/18/78	- 0 -	396,316.18	396,316.18	- 0 -	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00
05/18/79	- 0 -	400,000.00	400,000.00	- 0 -	17,954.88	17,954.88	17,954.88	17,954.88	17,954.88
277-H-094	07/02/78	- 0 -	89,824.38	89,824.38	- 0 -	17,954.88	17,954.88	17,954.88	17,954.88
01/02/79	- 0 -	89,824.38	89,824.38	- 0 -	19,387.36	19,387.36	19,387.36	19,387.36	19,387.36
277-K-095 (formerly 290-K-002)	09/24/78	132,184.51	96,836.79	229,021.29	26,436.91	19,102.99	45,804.27	45,804.27	45,804.27
	133,506.35	95,514.93		26,701.28					
Page Totals		\$ 1,752,482.02	\$ 5,804,124.33	\$ 7,556,606.35	\$ 350,496.43	\$ 1,160,824.87	\$ 1,511,321.30		
GRAND TOTALS		\$ 27,225,551.92	\$ 19,571,619.24	\$ 46,797,171.16	\$ 5,445,110.42	\$ 3,914,323.81	\$ 9,359,334.23		

PHILIPPINES
Real Property Tax Administration

*Agreement signed at Manila May 19, 1978,
Entered into force May 19, 1978.*

A.I.D. Loan No. 492-W-048

A.I.D. Project No. 492-0298

PROJECT
LOAN AGREEMENT
BETWEEN
THE REPUBLIC OF THE PHILIPPINES
and the
UNITED STATES OF AMERICA
for
REAL PROPERTY TAX ADMINISTRATION

Dated: May 19, 1978

TABLE OF CONTENTSPROJECT LOAN AGREEMENT

	<u>Page</u>	[<i>Pages herein</i>]
Article 1. The Agreement	1	2767
Article 2: The Project	1	2767
Section 2.1. Definition of Project	1	2767
Section 2.2. Incremental Nature of Project	2	2768
Article 3: Financing	2	2768
Section 3.1. The Loan	2	2768
Section 3.2. Borrower Resources for the Project	3	2769
Section 3.3. Project Assistance Completion Date	3	2769
Article 4. Loan Terms	4	2770
Section 4.1. Interest	4	2770
Section 4.2. Repayment	4	2770
Section 4.3. Application, Currency, and Place of Payment	5	2771
Section 4.4. Prepayment	5	2771
Section 4.5. Renegotiation of Terms	5	2771
Section 4.6. Termination on Full Payment	6	2772
Article 5: Conditions Precedent to Disbursement	6	2772
Section 5.1. First Disbursement	6	2772
Section 5.2. Additional Disbursement	7	2773
Section 5.3. Notification	8	2774
Section 5.4. Terminal Date for Conditions Precedent	8	2774
Article 6: Special Covenants	8	2774
Section 6.1. Project Evaluation	8	2774
Article 7 Procurement Source	9	2775
Section 7.1. Foreign Exchange Costs	9	2775
Section 7.2. Local Currency Costs	9	2775
Article 8: Disbursements	10	2776
Section 8.1. Disbursement for Foreign Exchange Costs	10	2776

<u>Table of Contents</u>	<u>Page</u>	<u>{Pages herein}</u>
Section 8.2. Disbursement for Local Currency Costs	10	14
Section 8.3. Other Forms of Disbursement	11	15
Section 8.4. Rate of Exchange	12	16
Section 8.5. Date of Disbursement	12	16
Article 9: Miscellaneous	12	16
Section 9.1. Communications	12	16
Section 9.2. Representatives	13	17
Section 9.3. Standard Provisions Annex [¹]	14	18
 <u>ANNEX I - DESCRIPTION OF PROJECT</u>		
Description of Project	1	19
Tax Mapping Operation	3	21
Tax Appraisal and Assessment Operation	3	21
Tax Records Management Operation	4	22
Tax Collection Operation	4	22
Attachment 1. GOP Project Financial Plan	8	26
Attachment 2: A.I.D. Loan Project Financial Plan	9	27
Attachment 3: Memorandum of Agreement between DLGCD and DOF	10	28

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

PROJECT LOAN AGREEMENT

Dated May 19, 1978

Between

The Republic of the Philippines ("Borrower")

And

The United States of America, acting through the
Agency for International Development ("A.I.D.")Article 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, will consist of providing technical expertise, equipment and commodity support and financial incentives to assist in the establishment of a Real Property Tax Administration (RPTA) System in various provinces, municipalities and cities in the Republic of the Philippines. The installation of the RPTA system consists of four integrated operations. tax mapping, property assessment, tax records conversion and management, and tax collections. Annex I, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Section 2.2. Incremental Nature of Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Borrower, may specify in Project Implementation Letters appropriate time periods for the utilization of funds loaned by A.I.D. under an individual increment of assistance.

Article 3: Financing.

Section 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Four Million United States ("U.S.") Dollars (\$4,000,000.00) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal"

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

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. \$1,855,266.00, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is May 15, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed, and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1, no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4. Loan Terms.

Section 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at a rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5.) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semiannual installments of Principal and interest. The first installment of Principal

will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4 Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

Section 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of the Philippines, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Director-General, National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement.

Section 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(c) The evaluation program referred to in Section 6.1.

Section 5.2. Additional Disbursement. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for the purpose of individual activities listed below, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) Prior to disbursement of funds or issuance of documentation for reimbursement for procurement of aerial photographs or other base source data, documentation showing receipts for payment and possession of the aerial photographs or other base source data;

(b) Prior to disbursement of funds or issuance of documentation for reimbursement of the "seed" money (as described in Annex I), documentation of the appropriate province, municipality, or city showing receipt of such "seed" money;

(c) Prior to disbursement of funds or issuance of documentation for reimbursement of initial interest-free loans to local governments, documentation certifying that tax-mapping, conversion of records and reappraisal have been completed for that unit of local government; and

(d) Prior to disbursement of funds or issuance of documentation for reimbursement of subsequent interest-free loans to local governments, documentation certifying that tax collections are being made under the RPTA system.

Section 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 and 5.2 have been met, it will promptly notify the borrower

Section 5.4. Terminal Date for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower

(b) If all of the conditions specified in Section 5.2 have not been met within four years from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during

the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 7 Procurement Source.

Section 7.1 Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

Section 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.**Section 8.1 Disbursement for Foreign Exchange Costs.**

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

- (1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters,
(A) requests for reimbursement for such goods or services, or
(B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or
- (2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by the Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

Section 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency

Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase;

or

(2) by A.I.D. (A) requesting the Borrower to make available the local currency for such costs, and (B) thereafter making available to the Borrower through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Borrower or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Borrower, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2(b)(1), or (c) if local currency is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1 Communications. Except as expressly provided in Section 4.3, any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address.

To the Borrower:

Mail Address: National Economic and Development
Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL MANILA

To A.I.D.

Mail Address. United States Agency for International
Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables. USAID/AMEMB MANILA

All such communications will be in English, unless the Parties
otherwise agree in writing. Other addresses may be substituted for
the above upon the giving of notice.

Section 9.2. Representatives. For all purposes relevant to this
Agreement, the Borrower will be represented by the individual holding
or acting in the office of the Director-General, National Economic and
Development Authority and A.I.D. will be represented by the individual
holding or acting in the office of the Director, United States A.I.D.
Mission to the Philippines, each of whom, by written notice, may designate
additional representatives for all purposes other than exercising
the power under Section 2.1 to revise elements of the amplified description in Annex I. The names of the representatives of the Borrower, with
specimen signatures, will be provided to A.I.D., which may accept as duly
authorized any instrument signed by such representatives in implementation
of this Agreement, until receipt of written notice of revocation of their
authority.

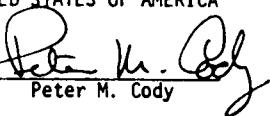
Section 9.3. Standard Provisions Annex,^[1] A "Project Loan Standard Provisions Annex" (Annex II) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

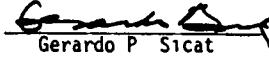
UNITED STATES OF AMERICA

REPUBLIC OF THE PHILIPPINES

By:


Peter M. Cody

By:


Gerardo P. Sicat

Title: Director
U.S. Agency for
International Development

Title: Secretary of Economic Planning
(Director-General)
National Economic &
Development Authority

¹ See footnote 1, p. 4.

DESCRIPTION OF PROJECT

Analysis of provincial, city and municipal budgets indicates that local government units depend heavily on allotments from the national government. Statistics also indicate that local governments are, on the average, only collecting half of the known potential collectible revenue from real property taxes. It is also an obvious fact that if real property tax records were accurate and real property tax revenue collections were rigorously pursued, local governments could improve their financial capacity to increase socio-economic projects within their respective jurisdictions.

To this end, the Department of Finance (DOF) and the Department of Local Government and Community Development (DLGCD) through the Local Development Assistance Office (LDAO) are undertaking a Real Property Tax Administration Project (RPTA) assisted by the United States Agency for International Development (A.I.D.) The local chief executives (Governors and Mayors) will implement the project at the local government level through the offices of the local assessor and treasurer

The RPTA Project will provide local government training of its personnel, commodity support and technical support needed to upgrade the technical and administrative capability of the offices of the provincial, city and municipal assessors and treasurers.

The A.I.D. Loan will provide up to \$10 million, obligated incrementally, \$4 million in this Agreement, and up to \$6 million over the subsequent life of the Project, the latter amount subject to the availability of funds and the continuing agreement of the parties. Similarly, the Borrower's contribution will be provided in increments with the equivalent of \$1,855,266.00 being obligated in Section 3.2(b) of this Agreement and further increments, up to a total equivalent of \$5,216,000.00, being provided on a commensurate basis, through appropriate amendment of Section 3.2(b), with the A.I.D. increment(s).

The intent of the Project is to standardize country-wide the RPTA system which has been designed and field-tested under the A.I.D.-assisted Local Development Project and the Provincial Development Assistance Project (PDAP) under the DLGCD. Fully implemented, this system makes it possible for local officials to identify and account for all real property in the country, to assess real property fairly and equitably and to levy and collect taxes on real property promptly and impartially. The Project provides local officials an efficient administrative system for installing and maintaining an effective real property program under existing legislation.

The system itself is an integrated technical/administrative process using as its base the current market value of real property, and is designed to raise revenue for the support of local government operations. It is a sequential process which proceeds logically from a tax-mapping phase, through property valuation and tax determination phases, to a final tax collection phase.

Tax Mapping Operation.

Objective: To prepare, install and maintain a system of tax maps based on frequent visual surveys. These maps will show graphically all land subject to assessment, with a corresponding real property identification and accounting system. The tax mapping operation utilizes aerial photos or cadastral maps, whichever is available, to aid in the identification of property and in parcellary sketching. Tax mapping is the method by which real property is inventoried. This operation discovers real property parcels and identifies their owners. By utilizing a property index numbering system, each separate land ownership is provided with a unique account number -- much like the serial number used in accounting for any other valuable piece of property in a property management system. This number is permanently assigned to a specific parcel of land and establishes the connection between the physical property and the office records system which did not exist in the former system. Additionally this operation provides land area information which, when recorded, provides an additional control over property records.

Tax Appraisal and Assessment Operation.

Objective: To establish a systematic method of appraising all real property at full current market value and to implement the uniform application of applicable assessment levels.

Once it has been properly mapped and inventoried, real property is appraised at its full current market value through one of several accepted methods. Assessment levels are then applied which result in the

assignment of an assessed value for each particular property ownership. The assessment operation maintains subsidiary records for the purpose of periodically adjusting schedules of value and for general reassessment.

Tax Records Management Operation.

Objective: To establish and maintain official ownership records for assessment purposes, including tax declarations, assessment rolls, index systems, etc., that reflect the current status of all real property ownership and assessed value.

This operation consists of the establishment and maintenance of the permanent official records and files of the Offices of the Provincial or City Assessor necessary for the purpose of maintaining continued accountability for all separate property ownership. This operation distributes by assessment roll the information necessary to establish tax collection records in the Office of the City or Provincial Treasurer. Copies of appropriate records are also furnished to the public and various other local government offices as required. The Tax Records Management Operation establishes the all-important control link between tax assessment operations and tax collection operations.

Tax Collection Operation.

Objective: To collect all of the real property taxes and penalties due and payable to the government through the positive and total enforcement of the tax laws and their penal provisions.

This operation consists of collecting, recording, accounting and disposing of real property taxes, both currently collectible and delinquent. In carrying out the tax collection function the responsible local government officials will utilize the modern collection procedures described in the RPTA. In addition, emphasis is given to the dissemination of public information pertaining to real property taxes, to public education of the purposes and methods of real property taxation and the methodical application of tax collection enforcement measures as prescribed by law.

The RPTA Project will have as a central coordinating body the RPTA Project Managers from the DOF and the DLGCD, supported by a technical staff drawn from the two above named agencies. Training of provincial, city and municipal staffs of the respective offices of the assessors and treasurers will be conducted by personnel who have had specialized training at the University of Southern California's Institute for Tax Administration.

These personnel, with assistance from the technical staff of the central coordinating body, will be responsible for RPTA training in all regions in the Republic of the Philippines (excluding Metro Manila) -- encompassing all cities (excluding the four Metro Manila cities) and a minimum 576 municipalities in the country's 72 provinces. The provinces, cities and municipalities will be responsible for providing sufficient staff and budgets to implement the RPTA system. The Project does not envisage the necessity to create any new office or bureau as all legal and operational functions of the Project are already existing in the DOF and DLGCD. The DOF and the DLGCD have already entered into a Memorandum of

Agreement to undertake the installation of the RPTA system. This Memorandum (attached as Attachment 3 to this Annex) indicates the specific responsibilities of the respective departments.

By the end of the Project it is expected that all targetted local governments will have a functioning RPTA system as evidenced by: (1) trained staff in the assessor's and treasurer's offices capable of installing and maintaining the RPTA system; (2) identification of all real property (tax-mapped) in the target areas; (3) reappraisal and reassessment of all real property in the target areas; and (4) initiation of a real property tax revenue campaign with a minimum 75% collection efficiency rate after the first year of operation in the target areas.

The financial scheme of the Project is designed to minimize initial implementation costs of local governments. Office and field equipment, excess property vehicles and aerial photos or cadastral maps are to be provided without charge to the provinces and cities in the Project. Furthermore, each province and city will receive a ₱30,000.00 grant ("seed" money) upon formation of its RPTA Task Force and completion of the Multi-Year Plan. Further financial incentives include interest-free loans of ₱30,000.00 to provinces and cities after respective municipalities or districts have been tax-mapped, property reappraised and the records converted. Municipalities, and cities per district, will be able to acquire a ₱10,000.00 interest-free loan upon proof that they are actually collecting under the RPTA system. Local governments will be responsible for the procurement of their own office and field supplies and forms as well as salaries for their respective staff. The DOF and DLGCD will print

and distribute appropriate manuals of instruction and conduct the training of local staff as appropriate. The participating local governments will pay per diem, share general overhead, etc., for their staff during specialized training. The DOF and DLGCD will pay national staff salaries and per diem and provide training materials as needed.

The Project utilizes Fixed Amount Reimbursement (FAR) procedures in three areas. Details regarding FAR procedures will be described in Project Implementation Letters.

It is imperative that accurate pre-Project, Project and post Project statistics be maintained. It is anticipated that in conjunction with the DOF and National Tax Research Center a country-wide flow of information and statistics relating to the RPTA system will be maintained and available to Project personnel as required. At the conclusion of the Project this "data bank" will be extremely valuable in the final Project Evaluation.

In order to maintain high technical and administrative standards the Project design calls for evaluation to take place in March 1979, and February 1980, 81 and 82.

[30 UST

50

PROJECT FINANCIAL PLAN (Source and Application of Funding)

Project No 492-0298

<u>AMOUNT FOR A FULLY FUNDED PROJECT</u>			
<u>PROJECT INPUTS</u>	<u>To 31 December 1978</u>	<u>Future Years</u>	<u>Total</u>
Estimated personnel-related expenses (national)	\$ 72,733	\$ 145,467	\$ 218,200
Estimated personnel-related expenses (local gov't)	607,033	1,214,067	1,821,100
Training and related expenses	190,000	30,200	220,200
Project materials and supplies	<u>985,500</u> <u>\$1,855,266</u>	<u>1,971,000</u> <u>\$3,360,734</u>	<u>2,956,500</u> <u>\$5,216,000</u>
<u>BUDGETARY REQUIREMENTS FOR REIMBURSEMENT</u>			
(Non-Add to GGP Project Cost)			
Aerial photos or other source base data	1,080,000	1,920,000	3,000,000
Seed Money	375,000	---	375,000
Loans to Local Governments	<u>792,000</u> <u>\$2,247,000</u>	<u>3,288,000</u> <u>\$5,208,000</u>	<u>4,080,000</u> <u>\$7,455,000</u>
Total			
Grand Total	<u>\$4,102,266</u>	<u>\$8,568,734</u>	<u>\$12,671,000</u>

A.I.D. - LOAN

PROJECT FINANCIAL PLAN
 (Source and Application of Funding)

Project No 492-0298

	FY 78	Future Years	P R O P O S E D Total
Basic Equipment	\$1,570,000		\$ 1,570,000
Aerial Photos or other source base data	1,080,000 ^{1/}	\$1,920,000 ^{1/}	3,000,000 ^{1/}
Excess Property Vehicles	975,000		975,000
Seed Money ^{1/}	375,000 ^{1/}		375,000 ^{1/}
Reimbursement to the Borrower ^{1/} for Loans to Local Government ^{1/}	\$4,000,000	4,080,000 ^{1/}	4,080,000 ^{1/}
		\$6,000,000	\$10,000,000

^{1/} FAR items [Footnote in the original]

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement made and entered into in the City
of Quezon, Philippines, by and among -

The DEPARTMENT OF LOCAL GOVERNMENT AND
COMMUNITY DEVELOPMENT, a duly organized and existing
instrumentality of the Government of the Republic of
the Philippines, with main offices at the New City Hall,
Diliman, Quezon City represented herein by its Secretary
Hon. Jose A. Rono, and hereinafter referred to as the
DLGCD and

The DEPARTMENT OF FINANCE, likewise a duly
organized and existing instrumentality of the Government
of the Republic of the Philippines, with main offices at the
Finance Building, Manila, represented herein by its Secretary
Hon. Cesar Virata, and hereinafter referred to as the DOP

WITNESSETH THAT

WHEREAS, the Government of the Republic of the
Philippines, through its instrumentalities particularly the
DLGCD and the DOP is currently undertaking massive training
and direct technical assistance programs aimed at transforming
local government units throughout the country into viable and
self-reliant communities;

WHEREAS, the DLGCD, the DOP are satisfied with
the results of the implementation of the Real Property Tax
Administration (RPTA) system, as piloted in the 28 PDAP provinces.

WHEREAS, the DLGCD and the DOF have proposed, with USAID assistance, a project designed to expand the RPTA system to include, in addition to the 28 PDAP provinces, all 72 provinces and all chartered cities, except those in the Metro Manila Area and the City of Cebu, contingent, of course, on the project support proposed by USAID which is to be incorporated in various project and loan agreements once the project itself has received appropriate approvals within the U.S. Government.

WHEREAS, the DLGCD and the DOF have individually and collectively reviewed, and by this Agreement are agreeable to, the project as described in Annex "A" which is incorporated as an integral part hereof;

NOW THEREFORE, the parties have agreed to undertake the aforementioned project with the following as their areas of responsibilities to wit.

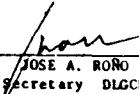
National Level

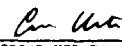
<u>AREA</u>	<u>ACTIVITY</u>	<u>AGENCY</u>
RPTA Systems as proposed in documental already reviewed by DLGCD and DOF	Acceptance and endorsement 100%	DOF DLGCD
RPTA System	Implementing Orders, Guidelines and Policies (Definition, Formulation and issuance)	DOF
RPTA System	Organization of Central Committee composed of Project Managers at the national level for consultation, implementation and evaluation	DOF, DLGCD
RPTA System	Organization and training of regional technical pool to assist and train provincial personnel	DOF DLGCD

TIAS 9362

<u>AREA</u>	<u>ACTIVITY</u>	<u>AGENCY</u>
<u>Local Government Level</u>		
RPTA System	Implementing Orders	Provincial/City Governor/Mayor
RPTA System	Organization of RPTA Task Force.	Provincial/City Council (Sangguniang Bayan) Assessor Treasurer, Auditor, PDC & PDO/CDC & CDO
RPTA System	Inventory of available data. (aerial photographs and/or controlled survey maps)	Assessor (Tax Mapping) Divisions
RPTA System (Tax Mapping)	Selection of Pilot Municipality/District, Task Force, Mayor	Governor, RPTA
RPTA System	Selection of Personnel	Assessor, Treasurer
RPTA System	Training of Personnel	DOF DLGCD
RPTA System (Tax Mapping)	Implementation	Assessor's Office (Tax Mapping Division)
RPTA System (Assessment)	Re-Appraisal of Property	Assessor's Office (Appraisal Division)
RPTA (Records conversion and Management)	Conversion of records before and after tax mapping using assigned Property Index Numbers (PIN)	Assessor's Office (Records Management Division)
RPTA (Tax Collection)	Actual Collection of Taxes using the "One-way tax Collection Approach"	Treasurer

IN WITNESS WHEREUPON we hereunto affix our signatures this _____
 day of February Quezon City Philippines in the year of our Lord
 nineteen hundred and seventy-seven.


 JOSE A. RORO
 Secretary DLGCD


 CESARIO VIRATA
 Secretary, DOF

*Signed on 9 March 1977 [Footnote in the original.]

PERU
Rural Development

*Agreement signed at Lima May 31, 1978,
Entered into force May 31, 1978.*

Préstamo A.I.D. No. 527-T-060
A.I.D. Loan No. 527-T-060

C O N V E N I O D E P R E S T A M O
L O A N A G R E E M E N T

E N T R E
B E T W E E N

L A R E P U B L I C A D E L P E R U
T H E R E P U B L I C O F P E R U

Y
A N D

L O S E S T A D O S U N I D O S D E A M E R I C A
U N I T E D S T A T E S O F A M E R I C A

PROYECTO DESARROLLO RURAL - FONDO PARA AGROINDUSTRIAS
RURAL DEVELOPMENT - AGRIBUSINESS FUND PROJECT

Fecha: 31 de Mayo de 1978
Date: May 31, 1978

CONVENIO DE PRESTAMO de fecha 31 de Mayo de 1978 (el "Convenio"), entre la República del Perú (el "Prestatario") actuando a través del Banco Central de Reserva del Perú (el "Banco Central") y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D.")

ARTICULO 1. EL CONVENIO

El objeto de este Convenio es establecer el entendimiento de las partes arriba nombradas con respecto al compromiso asumido por el Prestatario en relación al Proyecto descrito en la Sección 2.1 (el "Proyecto") y a la financiación del Proyecto por las partes.

ARTICULO 2: EL PROYECTO

SECCION 2.1 Definición del Proyecto
El Proyecto que se describe más ampliamente en el Anexo 1 consistirá en: un sistema especial - el Fondo para Agroindustrias de Desarrollo Rural (el "Fondo") - establecido por el Banco Central para el financiamiento de préstamos para agroindustrias.

El Anexo 1 adjunto, amplía la definición del Proyecto contenida en esta Sección 2.1. Dentro de los límites de la definición del Proyecto en esta Sección 2.1, los elementos de la descripción ampliada enunciados en el Anexo 1, podrán ser cambiados mediante acuerdos por escrito de los representantes autorizados de las partes, nombrados en la Sección 9.2, sin necesidad de una enmienda formal de este Convenio.

LOAN AGREEMENT, dated May, 31st. 1978 (the "Agreement"), between the Republic of Peru (the "Borrower") acting through the Central Reserve Bank of Peru (the "Central Bank") and the United States of America, acting through the Agency for International Development ("A.I.D.")

ARTICLE 1: THE AGREEMENT

The purpose of this Agreement is to set out the understandings of the parties named above with respect to the undertaking by the Borrower of the project described in Section 2.1 (the "Project") and the financing of the Project by the parties.

ARTICLE 2: THE PROJECT

SECTION 2.1 Definition of Project.
The Project, which is further described in Annex 1, will consist of: a special facility - the Rural Development Agribusiness Fund (the "Fund") - established by the Central Bank for financing agribusiness loans.

Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the parties named in Section 9.2 without formal amendment of the Agreement.

ARTICULO 3: FINANCIAMIENTO

SECCION 3.1 El Prestamo. Para asistir al Prestatario a cubrir los costos de desarrollo del Proyecto, A.I.D., de acuerdo con la Ley de Ayuda Extranjera de 1961 y sus enmiendas, conviene en prestar al Prestatario bajo los términos de este Convenio, una cantidad que no excederá los quince millones de Dólares Estadounidenses (\$15,000,000) (el "Préstamo"). El monto total de desembolsos bajo el Préstamo constituye el capital del Préstamo.

El Préstamo puede ser utilizado para financiar costos en dólares americanos (tal como se define en la Sección 7.1) y costos en soles peruanos (tal como se define en la Sección 7.2) de bienes y servicios necesarios para el Proyecto.

SECCION 3.2. Recursos Aportados por el Prestatario para el Proyecto.

(a) El Prestatario conviene en suministrar o hacer que se suministre al Proyecto todos los fondos, además de los del Préstamo, y todos los recursos razonablemente necesarios para llevar a cabo el Proyecto en forma eficaz y oportuna.

(b) Los recursos suministrados por el Prestatario para el Proyecto no podrán ser menores que el equivalente de Cinco Millones de Dólares Americanos (\$5,000,000) incluyendo los costos originados en base a prestaciones "en especie".

SECCION 3.3. Fecha de Terminación de Asistencia del Proyecto.

(a) La Fecha de Terminación de Asistencia del Proyecto ("FTAP"), que es el 31 de Diciembre de 1982,

ARTICLE 3: FINANCING

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to lend to the Borrower under the terms of this Agreement not to exceed fifteen million United States Dollars (\$15,000,000) (the "Loan") The aggregate amount of disbursements under the Loan constitutes the principal of the Loan.

The Loan may be used to finance U.S. dollar costs (as defined in Section 7.1) and Peruvian soles costs (as defined in Section 7.2) of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources reasonably required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Borrower for the Project will be not less than the equivalent of Five Million United States Dollars (\$5,000,000) including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The Project Assistance Completion Date ("PACD"), which is December 31, 1982, or such other

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

o cualquier otra fecha que las partes convengan por escrito, es la fecha para la cual las partes estiman que todos los servicios financiados bajo el Préstamo habrán sido realizados, y todos los bienes financiados bajo el Préstamo habrán sido suministrados para el Proyecto tal como se contempla en este Convenio:

(b) A menos que A.I.D. conviniese en otra forma por escrito, A.I.D. no emitirá o aprobará documentación que autorice desembolsos del Préstamo por servicios realizados después de la FTAP o por bienes suministrados al Proyecto, tal como se contempla en este Convenio después de la FTAP.

(c) Las solicitudes de desembolso, acompañadas de la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, deberán ser recibidas por A.I.D. o cualquier banco descrito en la Sección 8.1 a más tardar nueve (9) meses después de la FTAP o en otro periodo convenido por A.I.D. por escrito. Después de este periodo, A.I.D., notificando por escrito al Prestatario puede, en cualquier momento, reducir el monto de Préstamo, en su totalidad, o aquella parte del mismo por la que las solicitudes de desembolso acompañadas de la documentación de respaldo necesaria, prescrita en las Cartas de Implementación del Proyecto, no se hubieran recibido antes de la fecha de expiración de dicho periodo.

ARTICULO 4: TERMINOS DEL PRESTAMO

SECCION 4.1. Interés. El Prestatario pagará a A.I.D. intereses sobre el Préstamo a la tasa del dos por ciento (2%) anual durante los siete años siguientes a la fecha del primer

date as the parties may agree to in writing, is the date by which the parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement under the Loan for services performed after the PACD or for goods furnished for the Project, as contemplated in this Agreement, after the PACD.

(c). Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD; or such other period as A.I.D. agrees to in writing. After such period, A.I.D. giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: LOAN TERMS

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest on the Loan which will accrue at the rate of two percent (2%) per annum for seven years following.

desembolso del préstamo, y a la tasa del tres por ciento (3%) anual de ahí en adelante sobre todos los saldos pendientes. El interés sobre el saldo adeudado se devengará desde la fecha (según se define en la Sección 8.5) de cada desembolso respectivo y se pagará semestralmente. El primer pago del interés vencerá y será pagadero a más tardar seis (6) meses después del primer desembolso del Prestamo, en una fecha que será especificada por A.I.D.

SECTION 4.2 Amortización. El Prestatario amortizará el capital a A.I.D. dentro de los veinte (20) años, computables a partir de la fecha del primer desembolso del Prestamo en veintisiete (27) cuotas semestrales aproximadamente iguales de capital e intereses. La primera cuota del capital será pagadera seis y medio (6 1/2) años después de la fecha en la cual vence el primer pago de intereses de acuerdo a la Sección 4.1. A.I.D. proveerá al Prestatario con un plan de amortización de acuerdo con la presente Sección, después del desembolso final del Préstamo.

SECCION 4.3. Aplicación, Moneda y Lugar de Pago. Todos los pagos de intereses y capital del Prestamo deberán ser efectuados en dólares americanos y serán aplicados primero al pago de los intereses adeudados y después a la amortización del capital. A menos que A.I.D. especifique de otra manera por escrito, todos estos pagos deberán ser efectuados al Contralor, Oficina de Administración Financiera, Agencia para el Desarrollo Internacional, Washington, D.C., 20523, U.S.A., y se considerarán efectuados a su recepción en la Oficina de Administración Financiera.

the date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on all outstanding balances. Interest on the outstanding principal balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay the principal to A.I.D. within twenty (20) years from the date of the first disbursement of the Loan in twenty-seven (27) approximately equal semiannual installments of principal and interest. The first installment of principal will be payable six and one-half (6 1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by such office.

SECCION 4.4. Pago Adelantado. Al pago de todos los intereses y reintegros entonces vencidos, el Prestatario puede pagar por adelantado, sin ningún otro cargo, todo o parte del capital. A menos que A.I.D. conviniese en otra forma por escrito, dichos pagos adelantados serán aplicados a las cuotas de capital en orden inverso a su vencimiento.

SECCION 4.5. Renegociación de los Términos.

(a) El Prestatario y A.I.D. acuerdan en negociar, en todo tiempo en que cualquiera de las partes pudiera requerir, una aceleración de la amortización del Prestamo, en el caso de que hubiese una mejora significativa de las perspectivas y posición financiera y económica externa e interna del Perú que le permitan pagar el Préstamo en un plazo más corto.

(b) Cualquier pedido de cualquiera de las partes a la otra de así negociar, se hará de acuerdo a la Sección 9.2 y dará el nombre y dirección de la persona o personas que representarán a la parte solicitante en dicha negociación.

(c) Dentro de los treinta (30) días después de la entrega de la solicitud de negociación, la parte que hubiera recibido la solicitud comunicará a la otra, de acuerdo a la Sección 9.2, el nombre y dirección de la persona o personas que la representarán en tales negociaciones.

(d) Los representantes de las partes se reunirán para llevar a cabo las negociaciones a más tardar treinta (30) días después de la entrega de la comunicación de la parte requerida, conforme al inciso (c). Las nego-

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the principal. Unless A.I.D. otherwise agreed in writing, any such prepayment will be applied to the installments of principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Peru, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either party to the other to so negotiate will be made pursuant to Section 9.2 and will give the name and address of the person or persons who will represent the requesting party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested party in such negotiations.

(d) The representatives of the parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested party's communication under subsection (c). The negotiations will

ciaciones se llevarán a cabo en el lugar que se convenga mutuamente por los representantes de las partes, salvo que en ausencia de un convenio mutuo, las negociaciones tendrán lugar en la Oficina del Presidente del Banco Central en Lima, Perú.

SECCION 4.6. Terminación Luego del Pago Total. Al pagarse completamente el capital y todos los intereses devengados, este Convenio y todas las obligaciones del Prestatario y A.I.D. relacionadas con las disposiciones de este Convenio, fenecerán.

ARTICULO 5: CONDICIONES PREVIAS AL DESEMBOLO

SECCION 5.1. Condiciones Previas al Primer Desembolso. Con anterioridad al primer desembolso del Prestamo, o a la emisión por parte de A.I.D. de la documentación conforme a la cual se efectuará el desembolso, el Prestatario, con excepción de aquello que A.I.D. acordara de diferente modo por escrito, deberá proporcionar a A.I.D. en la forma y substancia que sean satisfactorias a A.I.D.:

(a) Un dictámen del Fiscal del Gobierno del Perú, u otro asesor legal aceptable a A.I.D., en sentido de que este Convenio ha sido debidamente autorizado y/o ratificado por el Prestatario y celebrado en su nombre, y que constituye una obligación válida y legalmente exigible del Prestatario en conformidad con todos sus términos;

(b) Una declaración del nombre de la persona que representa al Prestatario y desempeña el cargo que se especifica en la Sección 9.2, y de cualquier representante adicional, junto con el facsímil de la firma de cada persona especificada en dicha declaración;

take place at a location mutually agreed upon by the representatives of the parties; provided that, in the absence of mutually agreement, the negotiations will take place at the office of the President of the Central Bank in Lima, Peru.

SECTION 4.6. Termination of Full Payment. Upon payment in full of the principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. relating to the provisions of this Agreement shall terminate.

ARTICLE 5: CONDITIONS PRECEDENT TO DISBURSEMENT

SECTION 5.1. Conditions Precedent to Initial Disbursement. Prior to the first disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) A legal opinion of the Attorney General of Peru or other counsel acceptable to A.I.D. to the effect that this Agreement has been duly authorized and/or ratified by, and executed on behalf of the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) Un Decreto Supremo y/o una resolución del Directorio del Banco Central, según lo exigen las leyes peruanas, autorizando el establecimiento del Fondo y la creación de una unidad especial de administración (la "Unidad Especial") dentro de la estructura orgánica del Banco Central para la administración del Proyecto;

(d) Evidencia de que el arriba mencionado Decreto Supremo y/o resolución autoriza a los bancos comerciales que participan en el Proyecto a comprometer empréstitos a mediano y largo plazo bajo el Fondo, y permite que los sub-préstamos hechos por los bancos comerciales participantes que sean redescuentados bajo el Fondo sean incluidos dentro del coeficiente del portafolio que requiere el sistema de crédito selectivo.

(e) Evidencia de que la Unidad Especial ha sido creada y está funcionando con personal clave apropiado; y

(f) Un plan calendario que identifique fechas y montos de acuerdo al cual el Prestatario contribuirá una suma no menor a U.S.\$5.0 millones para el Proyecto.

SECCION 5.2. Condiciones Previas para Desembolsos de Sub-Préstamos bajo el Fondo para Agríndustrias de Desarrollo Rural. Antes del desembolso del Préstamo, o antes de la emisión, por parte de A.I.D., de documentos según los cuales se realizará el desembolso para financiar sub-préstamos bajo el Fondo, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

(c) A Supreme Decree and/or a resolution of Central Bank's Board of Directors, as required under Peruvian law, authorizing the establishment of the Fund and the creation of a special management unit (the "Special Unit") within the Central Bank's organizational structure for administration of the Project;

(d) Evidence that the above mentioned Supreme Decree and/or resolution authorizes commercial banks participating in the Project to engage in medium and long-term lending under the Fund and allows rediscounted subloans made by participating commercial banks under the Fund to be counted toward meeting the portfolio coefficient requirements of the selective credit system;

(e) Evidence that the Special Unit has been created and is in operation with key personnel in place; and

(f) A plan identifying timing and amounts pursuant to which the Borrower will contribute not less than U.S.\$5.0 million to the Project.

SECTION 5.2: Conditions Precedent to Disbursement for Sub-lending under the Rural Development Agribusiness Fund. Prior to disbursement of the Loan or the issuance by A.I.D. of documentation pursuant to which disbursement will be made to finance sub-lending under the Fund, the Borrower will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) Un Manual de Crédito detallando los conceptos, objetivos y pautas del programa para la participación de instituciones financieras incluyendo los requisitos determinantes de impacto del sub-proyecto y el criterio de elección.

(b) Un mecanismo de acuerdo al cual el Prestatario mantendrá el valor del activo del Fondo a un nivel, en soles peruanos, equivalente a no menos que el valor total en dólares americanos originalmente provistos al Fondo por A.I.D. y el Prestatario.

SECCION 5.3. Notificación del Cumplimiento de las Condiciones Previas.

Cuando las condiciones previas especificadas en las Secciones 5.1 y 5.2 hayan sido satisfactoriamente cumplidas, A.I.D. notificará oportunamente al Prestatario.

SECCION 5.4 Plazos para las Condiciones Previas

(a) Si todas las condiciones especificadas en la Sección 5.1 no se cumplieran dentro de los 90 días a partir de la fecha de este Convenio, o una fecha posterior que A.I.D. conviniera por escrito, A.I.D. puede, según su criterio, terminar este Convenio mediante aviso por escrito al Prestatario.

(b) Si todas las condiciones especificadas en la Sección 5.2 no se cumplieran dentro de los 120 días a partir de la fecha de este Convenio, o una fecha posterior que A.I.D. conviniera por escrito, A.I.D. puede, según su criterio, cancelar el saldo del Préstamo entonces pendiente de desembolso, en el monto no irrevocablemente comprometido a terceros y

(a) A Credit Manual detailing program concepts, objectives and guidelines for participation by financial institutions including sub-project impact determination requirements and eligibility criteria.

(b) A mechanism pursuant to which the Borrower will maintain the value of the assets of the Fund at a level, in Peruvian soles, equivalent to not less than the total value in U.S. dollars originally provided to the Fund by A.I.D. and the Borrower.

SECTION 5.3. Notification of Meeting Conditions Precedent.

When the conditions precedent specified in Sections 5.1 and 5.2 have been satisfactorily met, A.I.D. will promptly notify the Borrower.

SECTION 5.4. Terminal Dates for Conditions Precedent.

(a) If all the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower.

(b) If all of the conditions specified in Section 5.2 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this

puede terminar este Convenio mediante aviso por escrito al Prestatario. En caso de dicha terminación, el Prestatario reembolsará inmediatamente el capital pendiente a esa fecha y cualquier interés devengado.

ARTICULO 6: ESTIMULACIONES ESPECIALES

SECCION 6.1. Revisión Periódica de las Operaciones y Porcentaje de Redescuento del Fondo. El Prestatario se compromete a revisar periódicamente el progreso de las operaciones del Fondo y con la previa aprobación escrita por parte de A.I.D. ajustar, si es necesario, el porcentaje de redescuento para préstamos elegibles con el fin de permitir en la forma más amplia posible la participación de instituciones financieras en el Proyecto.

SECCION 6.2. Criterio de Elegibilidad del Sub-Préstamo. El Prestatario se compromete a que los sub-préstamos con redescuento financiados bajo el Proyecto estarán de acuerdo con las pautas determinantes de impacto y criterio de elegibilidad especificados en el Manual de Crédito.

SECCION 6.3. Contribución del Prestatario al Proyecto. El Prestatario se compromete a proporcionar como una contribución en efectivo al Proyecto una suma no menor al equivalente de \$5.0 millones de acuerdo al plan acordado especificado en la Sección 5.1(f).

SECCION 6.4. Mantenimiento del Valor del Fondo para Agroindustrias - Desarrollo Rural. El Prestatario se compromete a mantener el valor del Fondo por lo menos durante el período de gracia del Préstamo en un monto en soles peruanos equivalente a no menos que el valor

Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the principal then outstanding and any accrued interest.

ARTICLE 6: SPECIAL COVENANTS

SECTION 6.1. Periodic Review of Fund Operations and Rediscount Percentages. The Borrower covenants to review periodically the progress of the Fund's operations and with the prior written approval of A.I.D. to adjust, if necessary, the rediscounpt percentage for eligible loans in order to elicit the broadest possible participation by financial institutions in the Project.

SECTION 6.2. Sub-Loan Eligibility Criteria. The Borrower covenants that rediscouned sub-loans financed under the Project will conform to impact determination guidelines and eligibility criteria specified in the Credit Manual.

SECTION 6.3. Borrower Contribution to the Project. The Borrower covenants that it will provide as a cash contribution to the Project not less than the equivalent of \$5.0 million in accordance with the agreed plan specified in Section 5.1(f).

SECTION 6.4. Maintenance of Value of the Rural Development - Agribusiness Fund. The Borrower covenants to maintain the value of the Fund for at least the grace period of the Loan at an amount in Peruvian soles equivalent to not less than the original U.S. Dollar

original en dólares americanos de los recursos provistos por A.I.D. y el Prestatario.

SECCION 6.5. Tasas de Interes. El Prestatario se compromete a mantener las tasas de interés cargadas a los últimos sub-prestatarios del Fondo de acuerdo con fuentes de crédito similares disponibles en el Peru y a ajustar las tasas de interés bajo el Fondo todas las veces que fuera necesario para mantener dicha igualdad.

SECCION 6.6. Evaluación Anual del del Proyecto. El Prestatario se compromete evaluar anualmente y junto con la A.I.D. el cumplimiento de los objetivos y propósitos del proyecto en base de un sistema de evaluación establecido como parte del Proyecto.

ARTICULO 7: FUENTES DE ADQUISICION

SECCION 7.1. Costos en Dólares Americanos. Los desembolsos del Préstamo de acuerdo a la Sección 8.1, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto, que tengan su fuente y origen en países incluidos en el Código Geográfico 941 de A.I.D. en vigencia al tiempo de hacerse los pedidos ó de suscribirse los contratos para tales bienes y servicios ("costos en dólares") excepto que A.I.D. conviniera por escrito en otra forma y excepto lo previsto en el Anexo 2 (Anexo de Estipulaciones Standard para el Convenio de Préstamo), Sección C.1(b), con respecto al seguro marítimo.

value of the resources provided by A.I.D. and the Borrower.

SECTION 6.5. Interest Rates. The Borrower covenants to maintain interest rates charged to ultimate sub-borrowers of the Fund in line with comparable credit sources available in Peru and to adjust interest rates under the Fund whenever necessary to maintain such comparability

SECTION 6.6. Annual Project Evaluation. The Borrower covenants to evaluate on an annual basis jointly with A.I.D. progress towards meeting project goals and targets based on the evaluation system to be established as part of the Project.

ARTICLE 7. PROCUREMENT SOURCE

SECTION 7.1. U.S. Dollar Costs. Disbursements under the Loan pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("dollar costs"), except as A.I.D. may otherwise agree in writing, and except as provided in Annex 2 (Project Loan Standard Provisions Annex), [¹] Section C.1(b) with respect to marine insurance.

^¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

SECCION 7.2. Costos en Soles Peruanos.
 Los desembolsos del Préstamo, de acuerdo a la Sección 8.2, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto que tengan su fuente y, excepto que A.I.D. conviniera en otra forma por escrito, su origen en el Perú ("costos en soles peruanos").

ARTICULO 8: DESEMBOLSOS

SECCION 8.1. Desembolsos para los Costos en Dólares

(a) Despues del cumplimiento de las condiciones previas, el Prestatario puede obtener desembolsos de fondos del Préstamo para costos en dólares de bienes o servicios requeridos para el Proyecto de acuerdo con los términos de este Convenio, por medio de uno de los siguientes métodos que se convinieran de mutuo acuerdo:

(1) Presentando a A.I.D., junto con la documentación de respaldo necesaria estipulada en las Cartas de Implementación del Proyecto, solicitudes de reembolso por dichos bienes y servicios, o solicitudes para que A.I.D. obtenga artículos y servicios por cuenta del Prestatario para el Proyecto; o

(2) Solicitando a A.I.D. que emita Cartas de Compromiso por montos específicos a uno o más bancos de los Estados Unidos, aceptables a A.I.D., comprometiéndose A.I.D. a reembolsar a dicho banco o bancos por pagos hechos por ellos a los contratistas o proveedores bajo Cartas de Crédito o en otra forma, por tales bienes y servicios.

(b) Los gastos bancarios incurridos por el Prestatario en conexión con las Cartas de Compromiso y las Cartas

SECTION 7.2. Peruvian Soles Costs.
 Disbursements under the Loan pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Peru ("Peruvian soles costs")

ARTICLE 8: DISBURSEMENTS

SECTION 8.1. Disbursement for Dollar Costs

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the dollar costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) By submitting to A.I.D. with necessary supporting documentation as prescribed in Project Implementation Letters, requests for reimbursement for such goods or services, or requests for A.I.D. to procure commodities or services on behalf of the Borrower for the Project; or

(2) By requesting A.I.D. to issue Letters of Commitment for specified amounts to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by the Borrower in connection with Letters of Commitments and Letters

de Credito, serán financiados por el Prestamo a menos que el Prestatario instruva a A.I.D. anticipadamente lo contrario.

SECCION 8.2. Desembolsos para los Costos en Soles Peruanos.

(a) Despues del cumplimiento de las condiciones previas, el Prestatario puede obtener desembolsos de fondos del Préstamo para los costos en soles peruanos requeridos por el Proyecto, de acuerdo con los términos de este Convenio, presentando a A.I.D. con la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, solicitudes para financiar dichos costos.

(b) Los soles peruanos necesarios para tales desembolsos pueden ser obtenidos mediante adquisición por A.I.D. en compra con dólares americanos.

(c) El equivalente en dólares americanos de los soles peruanos puestos a disposición en virtud de este Convenio será, en el caso de la subsección (b) anterior, el monto en dólares americanos requeridos por A.I.D. para obtener los soles peruanos, de acuerdo con las disposiciones de la Sección 8.4.

SECCION 8.3. Otras Formas de Desembolsos. Los desembolsos del Prestamo pueden también hacerse a través de otros medios legales que las partes convengan por escrito.

SECCION 8.4. Tipo de Cambio. Excepto en el caso de que se estipule más específicamente en la Sección 8.2, si los fondos provistos por el Préstamo son introducidos al Peru por A.I.D. o cualquier entidad pública o privada con el objeto de llevar a cabo obligaciones de A.I.D. bajo este Convenio,

of Credit will be financed under the Loan unless the Borrower instructs A.I.D. in advance to the contrary

SECTION 8.2. Disbursement for Peruvian Soles Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursement of funds under the Loan for Peruvian soles costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The Peruvian soles needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase.

(c) The U.S. dollar equivalent of the Peruvian soles made available hereunder will be, in the case of subsection (b) above, the amount of U.S. dollars required by A.I.D. to obtain the Peruvian soles in accordance with the provisions of Section 8.4.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other legal means as the parties may agree to in writing.

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into Peru by A.I.D. or any public or private entity for purposes of carrying out obligations of A.I.D. hereunder, the

el Prestatario hará los arreglos que sean necesarios a fin de que tales fondos puedan ser convertidos en soles peruanos a la tasa útil más alta de cambio que, al tiempo de su conversión, no sea ilegal en el Perú.

SECCION 8.5. Fecha de los Desembolsos. Se considerará que A.I.D. ha efectuado los desembolsos del Préstamo (a) en la fecha en que A.I.D. hace un desembolso al Prestatario o a su delegado, o a un banco, contratista o proveedor en conformidad a una Carta de Compraventa o de Crédito; (b) en la fecha en que A.I.D. desembolse al Prestatario o a su delegado, soles peruanos adquiridos de acuerdo con la Sección 8.2(b); o (c) en el caso de desembolsos de acuerdo a la Sección 8.3, en la fecha especificada en las otras formas de documentos de desembolso.

ARTICULO 9: MISCELANEOS

SECCION 9.1. Comunicaciones. Cualquier aviso, solicitud, documento, u otra comunicación dada, hecha o enviada por cualquier parte a la otra en relación con el presente Convenio, deberá ser por escrito o por telegrama o cable, y se considerará como debidamente dada o enviada cuando ha sido entregada a la otra parte en la siguiente dirección:

Al Prestatario:

Dirección Postal.
Banco Central de Reserva del Perú
Casilla 1958
Lima 1, Perú

Dirección Cablegráfica:
RESERBANCO
Lima 1, Perú

Borrower will make such arrangements as may be necessary so that such funds may be converted into Peruvian soles at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Peru.

SECTION 8.5. Date of Disbursement. Disbursements of the Loan by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Letter of Credit; (b) on the date on which A.I.D. disburses to the Borrower or its designee Peruvian soles acquired in accordance with Section 8.2(b), or (c) in the case of disbursements pursuant to Section 8.3, on the date specified in the other form of disbursement documents.

ARTICLE 9: MISCELLANEOUS

SECTION 9.1. Communications. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address:
Central Reserve Bank of Peru
P.O. Box 1958
Lima 1, Peru

Cable Address:
RESERBANCO
Lima 1, Perú

A la A.I.D.

Dirección Postal
 Misión Económica de los Estados Unidos en el Perú
 a/c Embajada de los Estados Unidos
 Lima 1, Peru

Dirección Cablegráfica
 USAID, AmEmbassy
 Lima 1, Peru

Todas estas comunicaciones serán en inglés, a menos que las partes convengan lo contrario por escrito. Otras direcciones pueden substituir a las arriba especificadas previo aviso por escrito.

SECCION 9.2. Representantes. Para todos los propósitos relativos a este Convenio, el Prestatario estará representado por la persona que desempeñe, titular o interinamente, el cargo de Presidente del Banco Central, y A.I.D. estará representada por la persona que desempeñe, titular o interinamente, el cargo de Director de la Misión, quienes podrán designar representantes adicionales mediante aviso por escrito, para cualquier propósito, excepto el de ejercer la facultad de la Sección 2.1, de revisar elementos de la descripción amplificada en el Anexo 1. Los nombres de los representantes del Prestatario con faksímiles de sus firmas, serán proporcionados a A.I.D., que puede aceptar como debidamente autorizado cualquier instrumento firmado por tales representantes en la implementación de este Convenio hasta recibir notificación escrita de revocación de sus poderes.

To A.I.D.

Mail Address.
 United States AID Mission
 to Peru
 c/o United States Embassy
 Lima 1, Peru

Cable Address.
 USAID, AmEmbassy
 Lima 1, Peru

All such communications will be in English, unless the parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of prior notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of President of the Central Bank, and A.I.D. will be represented by the individual holding or acting in the office of Mission Director, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECCION 9.3. Anexo de Estipulaciones Standard. Se adjunta a este Convenio y forma parte del mismo un "Anexo de Estipulaciones Standard para el Convenio de Prestamo" (Anexo 2)

SECTION 9.4 Idioma que Prevalece. El presente Convenio ha sido suscrito en dos versiones, inglés y español. En caso que existiera ambigüedad o conflicto entre las mismas, la versión en inglés prevalecerá.

EN TESTIMONIO DE LO CUAL, la República del Perú y los Estados Unidos de América, actuando cada cual por medio de sus respectivos representantes debidamente autorizados, han suscrito el presente Convenio en sus nombres y lo han otorgado en el día y el año arriba mencionado.

REPUBLICA DEL PERU
REPUBLIC OF PERU

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

SECTION 9.4. Controlling Language. This Agreement is executed in both the English and Spanish languages. In case of inconsistency or conflict between the two versions, the English version shall control.

IN WITNESS WHEREOF, the Republic of Peru and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ESTADOS UNIDOS DE AMERICA
UNITED STATES OF AMERICA

Título	<u>Manuel Moreyra L.</u>
	Presidente, Banco Central de Reserva del Perú
Title	President, Central Reserve Bank of Peru

Título	<u>Harry W. Shlaudeman</u>
	Embajador, Estados Unidos de América
Title	Ambassador, United States of America

Título	<u>Leonard Yaeger</u>
	Director USAID/Perú
Title	USAID/Peru Mission Director

¹ See footnote 1, p. 2804.

ANEXO 1
ANNEX 1

DESCRIPCION DEL PROYECTO
PROJECT DESCRIPTION

I. Metas y Propósitos del Proyecto

El propósito del Proyecto es contribuir al aumento de la producción alimenticia, empleo e ingresos de las familias de escasos recursos de las zonas rurales y mejorar la nutrición. En apoyo de esta meta general, los fines del Proyecto son: i) establecer en el Banco Central un servicio para el redescuento de los préstamos otorgados por las instituciones financieras a los sub-prestatarios que procesan o comercializan productos agrarios o que proporcionan bienes y servicios complementarios al sector agrario; y ii) establecer un programa de promoción y desarrollo de dichas empresas agro-industriales, incluyendo la apropiada asistencia técnica el cual maximizará los beneficios para los pequeños agricultores y para personas de bajos ingresos.

El Proyecto estará dirigido para dinamizar el rol de instituciones crediticias intermedias (ICIs) en el desarrollo de un sector agro-industrial viable. El desarrollo agro-industrial se ve como una forma efectiva de aligerar las cuatro limitaciones básicas que en el sector agrario impiden el aumento de los niveles de empleo e ingreso, siendo las siguientes: i) servicios de procesamiento deficientes; ii) servicios de comercialización deficientes; iii) industrias de insumos de bienes y servicios deficientes; y iv) sistema de enlaces agro-industriales deficiente.

II. Elementos del Proyecto

El Proyecto establecerá en el Banco Central un mecanismo de redescuento, el Fondo de Desarrollo Rural Agro-industrial (Fondo) para financiar

I. Goals and Purposes of the Project

The Project is intended to contribute to increased food production, employment and incomes of the rural poor, and improve nutrition. In support of this general goal, the purposes of the Project are: i) to establish in the Central Bank a facility for rediscounting loans made by financial institutions to sub-borrowers which process or market agricultural products or provide complementary goods and services to the agricultural sector; and ii) to establish a program of promotion and development of such agribusinesses, including appropriate technical assistance, which will maximize benefits to small farmers and people of low incomes.

The Project will be directed toward stimulating the role of intermediate credit institutions (ICIs) in the development of a viable agribusiness sector. The development of agribusiness is seen as an effective way of alleviating the following four basic constraints to increased employment and income levels in the agricultural sector: i) inadequate processing facilities; ii) inadequate marketing facilities; iii) inadequate goods and services input industries; and iv) incomplete agribusiness system linkages.

II. Project Elements

Within the Central Bank, the Project will establish a rediscount mechanism, the Rural Development Agribusiness Fund (Fund), to finance

a través del sistema bancario, sub-proyectos agro-industriales que cumplan con los criterios de elegibilidad. El grupo meta del Proyecto, las personas de bajos recursos, incluyendo a los pequeños agricultores y a las empresas asociativas agrarias no azucareras creadas bajo la Reforma Agraria, se beneficiará como resultado de los sub-préstamos otorgados a las agro-industrias las que proporcionarán comercialización, procesamiento o bienes y servicios al grupo meta.

A. Fondo de Desarrollo Rural Agro-industrial

1. Magnitud y Alcance

El Fondo consistirá de una capitalización total inicial de \$19,600,000, de los cuales \$14,700,000 serán provenientes del préstamo de A.I.D. y \$4,900,000 serán proporcionados por el Banco Central. Estos recursos financieros apoyarán el desarrollo de industrias que demuestren importantes enlaces directos en favor del grupo meta. Por medio de la participación de ICIs y sub-prestatarios, se proporcionarán recursos adicionales provenientes de fuentes Peruanas con el fin de apoyar a estas agro-industrias.

Los tipos de actividades agro-industriales a ser financiadas bajo el programa incluyen:

i) Las agro-industrias (incluyendo plantas de procesamiento de frutas y verduras, plantas de alimentos balanceados, fábricas de conserva, instalaciones para congelación-deshidratación, etc.) que procesan materias primas proporcionadas por el grupo meta.

agribusiness sub-projects meeting eligibility criteria through the banking system. The Project's target group of low income people, including small farmers and the non sugar producing associative enterprises created under the Agrarian Reform, will benefit as a result of sub-loans made to agribusinesses providing marketing, processing, or goods and services to the target group.

A. Rural Development Agribusiness Fund

1. Magnitude and Scope

The Fund will consist of a total initial capitalization of \$19,600,000, of which \$14,700,000 will be A.I.D. Loan funds and \$4,900,000 will be provided by the Central Bank. These financial resources will support the development of industries which demonstrate significant direct backward or forward linkages to the target group. Additional resources from Peruvian sources to support these agribusinesses will be provided by participating ICIs and sub-borrowers.

The types of agribusiness activities which may be financed under the program include:

i) Agribusinesses (including fruit and vegetable processing plants, balanced feed plants, canneries, freeze-drying facilities, etc.) which process raw materials provided by the target group.

ii) Las agro-industrias (tales como facilidades de almacenamiento con refrigeración, almacenes, transporte, etc.) que apoyan el comercio de los productos agrícolas de los pequeños agricultores y de las empresas asociativas; y

iii) Las agro-industrias que proporcionan bienes y servicios que contribuyen a la mejora de la producción agraria de las pequeñas granjas y de las empresas asociativas, por ejemplo, proveedores de insumos y de tecnologías perfeccionadas (herramientas, maquinaria agrícola, bombas, molino de viento, embalaje para verduras, pesticidas, semillas mejoradas) así como servicios complementarios. Las empresas de servicios incluirían distribuidores y servicios de reparación para los insumos enumerados anteriormente, servicios de comercialización de insumos y servicios de alquiler de maquinaria agrícola y de equipo de limpieza del terreno.

2. Criterios de Selección

Para seleccionar los sub-proyectos a ser financiados por el Fondo, se revisará la conexión entre la actividad propuesta y el grupo meta designado así como la factibilidad financiera. Como parte del Manual de Crédito, el Banco Central informará a las ICIs sobre los factores que deben tomarse en consideración para determinar el impacto esperado de la actividad sobre el grupo meta. El Manual de Crédito contendrá un formato para la determinación inicial del impacto, el cual permitirá a ICIs y sub-prestatarios a determinar si los sub-proyectos específicos califican para ser financiados por el Fondo. El formato asignará ponderaciones a varios factores a ser considerados en la determinación de la elegibilidad y las ICIs serán informadas del puntaje mínimo necesario para que un sub-proyecto califique. El formato para la determinación del impacto inicial

ii) Agribusinesses (such as refrigerated storage facilities, warehouses, transportation, etc.) which assist in the marketing of small farmer and associative enterprise agricultural products; and

iii) Agribusinesses which provide goods and services which contribute to improved small farm and associative enterprise agricultural production, for instance suppliers of inputs and improved technologies (tools, farm machinery, pumps, windmills, vegetables crates, pesticides, improved seeds) as well as complementary services. Service enterprises would include distributors and repair facilities for the above-listed inputs, input marketing services, and rental services for farm machinery and land-clearing equipment.

2. Screening Criteria

In selecting sub-projects for Fund financing, the linkage between the proposed activity and the designated target group will be reviewed in addition to financial feasibility. As part of the Credit Manual, the Central Bank will advise ICIs of factors to be taken into consideration in determining the anticipated impact of the activity on the target group. The Credit Manual will contain an initial impact determination format which will enable ICIs and sub-borrowers to determine whether specific sub-projects qualify for Fund financing. The format will assign weights to various factors to be considered in determining eligibility and ICIs will be advised of the minimum score necessary for a sub-project to qualify. The initial impact determination format will include such factors as the extent to

incluirá tales factores como, el grado en que los sub-proyectos corregirán aquellas limitaciones que se identificaron y que impiden el aumento de la producción rural, el grado en que los sub-proyectos contribuirán al incremento de los ingresos en las zonas rurales, la ubicación de la planta, el número y las características de los agricultores que se beneficiarán con esta actividad, número y costo de empleos creados tanto dentro como fuera de la granja como resultado de esta actividad, y la capacidad del sub-proyecto para contribuir al desarrollo económico total. Se establecerá un sistema para registrar el impacto esperado de los sub-proyectos en el sector rural.

3. Términos y Condiciones para los Sub-préstamos

A menos que las partes acuerden lo contrario por escrito, las siguientes condiciones se aplicarán a los sub-proyectos financiados por el Fondo.

a. Tasas de Interés. Inicialmente, las tasas de interés que se cobrarán a los sub-prestatarios usuarios se establecerán en 16% y la tasa de redescuento cargada a las ICIs será de 9%. El Banco Central ajustará estas tasas cuando sea necesario, con el fin de mantener paridad con las fuentes de crédito similares existentes en el Perú, incluyendo el sistema de crédito selectivo regional y las líneas de crédito de mediano y largo plazo de los bancos estatales de fomento.

b. Plazos. El plazo máximo para los sub-préstamos sera de 10 años con períodos de gracia que no excederán de los 2 años. Los sub-préstamos no se efectuarán por plazos menores de un año. Dentro de estas limitaciones, los plazos para los sub-préstamos se fijarán por las ICIs de acuerdo a cada caso en particular.

which sub-projects alleviate identified constraints to increasing rural production, the extent to which the sub-projects will contribute to an increase in rural incomes, the location of the facility, the number and characteristics of the farmers who will benefit from the activity, the number and cost of jobs created both on-and off-farm as a result of the activity, and the ability of the sub-project to contribute to overall economic development. A system will be established to record the anticipated sub-project impact on the rural sector.

3. Sub-lending Terms and Conditions

Except as the parties may otherwise agree in writing, the following conditions will apply to sub-projects financed by the Fund.

a. Interest Rates. Rates charged to end-user sub-borrowers will initially be set at 16% and the rediscount rate charged ICIs will be 9%. The Central Bank will adjust these rates whenever necessary to maintain comparability with similar credit sources available in Peru, including the regional selective credit system and medium and long term credit lines of the state development banks.

b. Terms. The maximum term for sub-loans will be 10 years with grace periods of not to exceed 2 years. Sub-loans will not be made for a term of less than one year. Within these limitations, sub-lending terms will be set by ICIs on a case-by-case basis.

c. Porcentaje de Participación de las ICIs. Para iniciar el programa, el Banco Central refinanciará el 90% de los sub-préstamos de ICI que cumplan con los criterios de elegibilidad y el 10% será aportado de los propios recursos de ICIs. Si es necesario, esto será analizado y ajustado periódicamente con el fin de generar la más amplia participación posible de parte de ICIs en el Proyecto.

d. Aplicación del Sub-Préstamo. El empleo de los recursos del Fondo incluirá construcción, adquisición de bienes de capital, necesidades de capital de trabajo y asistencia técnica. Si el sub-préstamo va a ser utilizado estrictamente para fines de capital de trabajo -- como en el caso de una compañía que otorga préstamos a los agricultores con el fin de persuadir el cambio de los patrones de cultivo a los cultivos que serán procesados a nivel empresarial -- debe demostrarse que las necesidades se extenderán a más de un año y por lo tanto no es elegible para la financiación convencional de la banca comercial. No se utilizará más del 25% del Fondo para financiar sub-proyectos que requieran solamente capital de trabajo a mediano plazo. Asimismo, el Fondo financiará estudios de factibilidad para los sub-proyectos. Hasta el 4% de los recursos del Fondo pueden ser utilizados para la financiación de los estudios de factibilidad.

e. Montos Máximos del Fondo. El volumen máximo del sub-préstamo así como la cantidad máxima pendiente de pago para cualquiera de los sub-prestatarios será de \$750,000. Excepciones a esta restricción solamente serán consideradas sobre una base de caso por caso y requerirán previamente la aprobación por escrito de A.I.D.

c. Percentage of ICIs Participation. To initiate the program, the Central Bank will refinance 90% of ICI sub-loans meeting eligibility criteria with 10% to be contributed from the ICIs own resources. This will be analyzed and periodically adjusted, if necessary with the aim of eliciting the broadest possible participation by ICIs under the Project.

d. Sub-Loan Uses. Eligible uses of Fund resources will include construction, the acquisition of capital goods, working capital requirements, and technical assistance. If a sub-loan is to be utilized strictly for working capital purposes -- as in the case of a company's making loans to farmers to induce cropping pattern shifts into crops which will be processed at the enterprise level -- then it must be shown that the needs are for more than one year and therefore not eligible for conventional commercial bank financing. No more than 25% of the Fund will be utilized for such sub-projects which require only medium-term working capital financing. The Fund also will finance feasibility studies for sub-projects. Up to 4% of the Fund resources may be utilized for financing feasibility studies.

e. Fund Sub-Loan Size Restrictions. The maximum sub-loan size and maximum amount to be outstanding to any one sub-borrower will be \$750,000. Exceptions to this restriction will only be considered on a case by case basis and would require the prior written approval of A.I.D.

**B. Administración del Fondo
por el Banco Central**

El Banco Central establecerá una Unidad Especial con el fin de administrar el Fondo, bajo la dirección de un Director del Fondo, con un número adecuado de personal asignado a tiempo completo para promocionar e implementar el Proyecto.

El Banco Central dará una activa publicidad del programa mediante el diseño y desarrollo de panfletos y folletos además del uso de los medios de comunicación. Con regularidad se realizarán viajes en todo el Perú a fin de iniciar y mantener contacto con las agro-industrias existentes, con inversionistas y con las ICIs. El Banco tendrá la responsabilidad de organizar reuniones con los funcionarios de las sucursales de ICIs. Los temas que se enfocarán en estas reuniones comprenderán los requisitos de elegibilidad del sub-proyecto, procedimientos para identificar el impacto, técnicas de promoción del sub-proyecto, y los pasos necesarios para obtener financiamiento.

Además, la Unidad Especial llevará un control para verificar los formatos de identificación del impacto, verificar el progreso de las solicitudes pendientes de aprobación por ICIs y para evaluar los resultados de los sub-proyectos. La Unidad mantendrá registros de los resultados esperados del sub-proyecto, así como la contabilidad de los desembolsos para el sub-proyecto, compromisos y disponibilidades del Fondo.

El Banco Central aporta para la administración del Fondo aproximadamente una cantidad no menor del equivalente de \$100,000.

**B. Central Bank Fund
Administration**

The Central Bank will establish a Special Unit for the purpose of administering the Fund, under the leadership of a Fund Director, with an adequate number of full-time personnel assigned to promote and implement the Project.

The Central Bank will actively publicize the program through the design and development of pamphlets and brochures and the use of the mass media. Travel throughout Peru will be undertaken on a regular basis to initiate and maintain contact with existing agribusinesses, interested investors, and ICIs. The Central Bank will be responsible for organizing meetings with ICI branch officers. Topics to be addressed at these meetings will include sub-project eligibility requirements, impact identification procedures, sub-project promotion techniques, and necessary steps to be completed for obtaining financing.

In addition, control will be exercised by the Special Unit to check impact identification formats, to check on the progress of outstanding applications pending ICI approval, and to evaluate sub-project results. The Unit will maintain records on expected sub-project results, as well as account for sub-project disbursements, commitments, and Fund availabilities.

The Central Bank support for administration of the Fund is expected to total not less than the equivalent of \$100,000.

C. Asistencia Técnica

Hasta \$300,000 provenientes de los fondos del préstamo de A.I.D. estarán disponibles para financiar la asistencia técnica y los bienes y servicios requeridos para institucionalizar las operaciones del Fondo. Si la cantidad total de este rubro no es requerida para asistencia técnica, ésta puede ser utilizada para sub-préstamos bajo el Fondo.

III. Logros y Objetivos del Proyecto

Se anticipan bajo el Proyecto los siguientes logros: i) por lo menos \$19.6 millones de inversiones financiadas por el Fondo; ii) participación de aproximadamente diez ICIs en préstamos agro-industriales bajo el programa; iii) instrucciones para los procedimientos del sub-préstamo (Manual de Crédito) distribuidas y revisadas periódicamente; iv) reuniones de promoción llevadas a cabo en todas las áreas del Perú con participación de los administradores de las sucursales de ICIs; v) un sistema establecido de promoción y evaluación del proyecto. Las partes anticipan que al término del Proyecto, todos los fondos del mismo serán colocados en sub-proyectos que llenen los criterios de elección, el Fondo será institucionalizado con la capacidad de mantener su nivel de refinanciación, y el Fondo continuará como un sistema efectivo para identificar, promocionar y financiar sub-proyectos.

C. Technical Assistance

Up to \$300,000 of A.I.D. loan funds will be available to finance technical assistance and goods and services required to institutionalize the Fund's operations. If the full amount of this funding is not required for technical assistance, it may be utilized for sub-lending under the Fund.

III. Project Outputs and Targets

The following outputs are anticipated under the Project: i) at least \$19.6 million of investments financed by the Fund; ii) approximately ten ICIs participating in agribusiness lending under the program; iii) sub-lending directives (the Credit Manual) distributed and periodically revised; iv) promotional meetings held in all areas of Peru reaching ICI branch office managers; and v) a project promotion and evaluation system established. At the end of the Project the parties anticipate that all Project funds will have been placed in sub-projects meeting eligibility criteria, the Fund will be institutionalized with the capacity to maintain its level of refinancing, and the Fund will continue as an effective system to identify, promote, and finance sub-projects.

**SOCIALIST FEDERAL REPUBLIC OF
YUGOSLAVIA**

Air Transport Services

*Agreement signed at Washington December 15, 1977;
Entered into force provisionally December 15, 1977;
Entered into force definitively May 15, 1979
With memorandum of understandings.*

AIR TRANSPORT AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA

The Government of the United States of America and the
Government of the Socialist Federal Republic of Yugoslavia,
Desiring to conclude an Agreement for the purpose of promoting
air transportation between their respective territories,
Have agreed as follows.

ARTICLE 1

For the purposes of the present Agreement.

A. "Agreement" shall mean this Agreement and the annexed Route Schedule, and any amendments thereto.

B "Aeronautical authorities" shall mean in the case of the United States of America, the Federal Aviation Administration with respect to the technical permission, safety and security standards and requirements referred to in Articles 3 and 6(B) respectively, otherwise the Civil Aeronautics Board, and in the case of the Socialist Federal Republic of Yugoslavia, the Federal Committee for Transportation and Communications, or in both cases, any person or body authorized to perform the functions exercised at present by those authorities

C. "Designated airline" shall mean an airline that one Contracting Party has notified the other Contracting Party to be an airline which will operate a specific route or routes listed in the Route Schedule annexed to this Agreement. Such notification shall be communicated in writing, through diplomatic channels

D. "Territory" in relation to the United States of America shall mean the land areas under the sovereignty, jurisdiction or trusteeship of that State, and territorial waters adjacent thereto. "Territory" in relation to the Socialist Federal Republic of Yugoslavia shall mean the land areas and territorial waters adjacent thereto under its sovereignty

E. "Air service" shall mean any scheduled air service performed by aircraft for the public transport of passengers, mail or cargo, separately or in combination.

F. "International air service" shall mean an air service which passes through the air space over the territory of more than one State.

G. "Stop for non-traffic purposes" shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.

H. "Tariff" shall mean the price to be charged for the public transport of passengers, baggage and cargo (excluding mail) on scheduled air services including the conditions governing the availability or applicability of such price and the charges and conditions for services ancillary to such transport but excluding the commissions to be paid to air transportation intermediaries.

ARTICLE 2

A. Each Contracting Party grants to the other Contracting Party rights necessary for the conduct of air services by the designated airlines as follows. the rights of transit, of stops for non-traffic purposes; and of commercial entry and departure for international traffic in passengers, cargo and mail, separately or in combination, at the points in its territory named on each of the routes specified in the appropriate paragraph of the Route Schedule annexed to this Agreement.

B. Nothing in paragraph A of this Article shall be deemed to confer on the airlines of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo or mail carried for remuneration or hire and destined for another point in the territory of the other Contracting Party

ARTICLE 3

Air service on a specified route may be inaugurated by an airline or airlines of one Contracting Party at any time after that Contracting Party has designated such airline or airlines for that route and the other Contracting Party has granted the appropriate operating and technical permission. Such other Contracting Party shall, subject to Articles 4 and 6, grant this permission with a minimum of procedural delay, provided that the designated airline or airlines may be required to qualify before the competent aeronautical authorities of that Contracting Party, under the laws and regulations normally applied by those authorities, before being permitted to engage in the operations contemplated in this Agreement.

ARTICLE 4

A. Each Contracting Party reserves the right to withhold, suspend, or revoke the operating permission referred to in Article 3 of this Agreement with respect to an airline designated by the other Contracting Party, or to impose conditions on such permission, in the event that.

(1) such airline fails to qualify under the laws and regulations normally applied by the aeronautical authorities of that Contracting Party;

(2) such airline fails to comply with the laws and regulations referred to in Article 5 of this Agreement;

(3) in the case of the Government of the United States, it is not satisfied that the Yugoslav designated airline, as a Yugoslav organization of associated labor in the domain of air transportation, effectively controls the social property of the

airline, or, in the case of the Government of the Socialist Federal Republic of Yugoslavia, it is not satisfied that substantial ownership and effective control of the United States designated airline are vested in United States nationals.

B. Unless immediate action is essential to prevent infringement of the laws and regulations referred to in Article 5 of this Agreement, the right to suspend or revoke such permission shall be exercised only after consultation with the other Contracting Party

ARTICLE 5

A. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline or airlines designated by the other Contracting Party and shall be complied with by such aircraft upon entrance into or departure from and while within the territory of the first Contracting Party

B. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew, cargo or mail of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew, cargo or mail of the other Contracting Party upon entrance into or departure from, and while within, the territory of the first Contracting Party

ARTICLE 6

A. Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party, and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation.^[1] Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by the other Party

B. The competent aeronautical authorities of each Party may request consultations concerning the safety and security standards and requirements relating to aeronautical facilities, operations, airmen and aircraft, which are maintained and administered by the other Party. If, following such consultations, the competent aeronautical authorities of either Party find that the other Party does not effectively maintain and administer safety and security standards and requirements in these areas that are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation, they will notify the other Party of such findings and the steps considered necessary to bring the safety and security standards and requirements of the other Party to standards at least equal to the minimum standards which may be established pursuant to said Convention and the other Party will take appropriate corrective action. Each Party reserves

¹ Done Dec. 7, 1944. TIAS 1591, 3756, 6605, 6681, 7616, 8092, 8162, 61 Stat. 1180, 8 UST 179, 19 UST 7693, 20 UST 718, 24 UST 1019, 26 UST 1061, 2374. [Footnote added by the Department of State.]

the right to withhold or revoke the technical permission referred to in Article 3 of this Agreement with respect to an airline of the other Party, or to impose conditions on such permission, in the event the other Party does not take such appropriate action within a reasonable time. The competent aeronautical authorities of each Party shall make available to the other promptly upon request copies of pertinent standards and requirements relating to the provisions of this paragraph.

ARTICLE 7

A. Charges levied on the designated airline or airlines of one Contracting Party for the use of public airports and other facilities under the control of the other Contracting Party shall be just and reasonable, shall be consistent with the provisions of Article 15 of the Convention on International Civil Aviation, and shall not exceed those charges levied on foreign airlines engaged in similar international services.

B. Fuels, lubricating oils, consumable technical supplies, spare parts, regular equipment, and aircraft stores taken on board aircraft of the airline of one Contracting Party in the territory of the other Contracting Party, or introduced into that territory by such airlines and intended for use solely in connection with the operation or servicing of aircraft engaged in international air services under this Agreement shall be exempt on a basis of reciprocity from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges to the fullest extent possible under the national law of the Contracting Party granting the exemption. The use of such items will be subject to national regulations and procedures.

C. Aircraft of a designated airline or airlines of one Contracting Party engaged in international air services under this Agreement, as well as fuel, lubricating oils, consumable technical supplies, spare parts, regular equipment and aircraft stores on board such aircraft shall, upon arriving in or leaving the territory of the other Contracting Party, be exempt on a basis of reciprocity from customs duties, excise taxes, inspection fees, and other national duties and charges, provided that such fuel, oils, supplies, parts, equipment, and stores remain on board the aircraft or are used or consumed aboard the aircraft on flights in the territory of the Contracting Party granting the exemption.

D. The exemptions granted by this Article shall also be available in situations where the designated airline or airlines of one Contracting Party have entered into arrangements with another airline or airlines for the loan or transfer, in the territory of the other Contracting Party, of the items specified in paragraph B of this Article, provided such other airline or airlines similarly enjoy such exemptions from the other Contracting Party. The use of such items will be subject to national regulations and procedures

ARTICLE 8

There shall be a fair and equal opportunity for the airlines of each Contracting Party to operate on any route covered by this Agreement.

ARTICLE 9

In the operation by the airlines of either Contracting Party of the air services described in this Agreement, the interest of the airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same routes.

ARTICLE 10

A. The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

B. Services provided by a designated airline under the present Agreement shall retain as their primary objective the provisions of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in this Agreement shall be applied in accordance with the general principles of orderly development to which both Contracting Parties subscribe and shall be subject to the general principle that capacity should be related.

- (1) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;
- (2) to the requirements of through airline operation, and
- (3) to the traffic requirements of the area through which the airline passes, after taking account of local and regional services

C. Neither Contracting Party shall unilaterally restrict the airline or airlines of the other Contracting Party with respect to capacity, frequency, scheduling or type of aircraft employed in connection with services over any of the routes specified in the Route Schedule. In the event that one of the Contracting Parties believes that the operations conducted by an airline of the other Contracting Party have been inconsistent with the standards and principles set forth in this Article, it may request consultations pursuant to Article 13 of this Agreement for the purpose of reviewing the operations in question to determine whether they are in conformity with said standards and principles.

ARTICLE 11

A. Both Contracting Parties are committed to expanding air transportation opportunities between the two countries. One of the most effective ways of achieving this would be by implementing innovative low-fare services which are beneficial to travelers and shippers. Both Contracting Parties will encourage airlines to explore, propose, and implement the lowest possible level of tariffs taking into account the need to improve the prosperity of the international aviation industry, whether such tariffs are filed by the airlines individually or through a recognized traffic conference.

B. All tariffs to be charged by an airline of one Contracting Party for carriage to or from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors, such as costs of operation, reasonable profit, and the tariffs charged by any other airlines, as well as

the characteristics of each service. Such tariffs shall be subject to the approval of the aeronautical authorities of the Contracting Parties who shall act in accordance with their obligations under this Agreement, within the limits of their legal competence.

C. Any tariff proposed to be charged by an airline of either Contracting Party for carriage to or from the territory of the other Contracting Party shall, if so required, be filed by such airline with the aeronautical authorities of the other Contracting Party at least thirty (30) days before the proposed date of introduction unless the Contracting Party with whom the filing is to be made permits filing on shorter notice. The aeronautical authorities of each Contracting Party shall use their best efforts to insure that the tariffs charged and collected conform to the tariffs filed with either Contracting Party, and that no airline rebates any portion of such tariffs by any means, directly or indirectly, including the payment of excessive sales commissions to agents.

D. It is recognized by both Contracting Parties that, during any period for which either Contracting Party has approved the traffic conference procedures of the International Air Transport Association, or other association of international air carriers, any tariff agreements concluded through these procedures and involving an airline or airlines of that Contracting Party will be subject to the approval of the aeronautical authorities of that Contracting Party within the limits of their legal competence.

E. If a Contracting Party, on receipt of the notification referred to in paragraph C of this Article, is dissatisfied with the tariff proposed, it shall so inform the other Contracting Party at least fifteen (15) days prior to the date that such tariff would

otherwise become effective, and the Contracting Parties shall endeavor to reach agreement on the appropriate tariff.

F. If a Contracting Party upon review of an existing tariff charged for carriage to or from its territory by an airline or airlines of the other Contracting Party is dissatisfied with that tariff, it shall so notify the other Contracting Party and the Contracting Parties shall endeavor to reach agreement on the appropriate tariff.

G. In the event that an agreement is reached pursuant to the provisions of paragraph E or F of this Article, each Contracting Party will exercise its best efforts to put such tariff into effect.

H. If.

(1) under the circumstances set forth in paragraph E of this Article, no agreement can be reached prior to the date that such tariff would otherwise become effective, or

(2) under the circumstances set forth in paragraph F of this Article, no agreement can be reached prior to the expiration of sixty (60) days from the date of notification, then the Contracting Party raising the objection to the tariff may take such steps as it may consider necessary to prevent the inauguration or the continuation of the service in question at the tariff complained of; provided, however, that the Contracting Party raising the objection shall not require the charging of a tariff higher than the lowest tariff charged by its own airline or airlines for comparable service between the same points.

ARTICLE 12

A. Each designated airline shall have the right to establish and maintain representatives in the territory of the other Contracting Party for management, promotional, informational, and operational activities.

B. Any tariff specified in terms of the national currency of one of the Contracting Parties shall be established in an amount which reflects the effective exchange rate (including all exchange fees or other charges) at which the airlines of both Parties can convert and remit the revenues from their transport operations into the national currency of the other Party

ARTICLE 13

A. Either Contracting Party may at any time request consultations on the interpretation, application or amendment of this Agreement or the annexed Route Schedule. Such consultations shall begin within a period of sixty (60) days from the date the other Contracting Party receives the request.

B. Should agreement be reached on amendment of this Agreement, such amendment shall come into force in the manner set forth in Article 19 of this Agreement.

C. Should agreement be reached on amendment of the Route Schedule, such agreement shall come into force on the date specified in an exchange of diplomatic notes

ARTICLE 14

A. Any dispute with respect to matters covered by this Agreement not satisfactorily adjusted through consultation shall, upon request of either Contracting Party, be submitted to arbitration in accordance with the procedures set forth herein.

B. Arbitration shall be by a tribunal of three arbitrators constituted as follows.

(1) One arbitrator shall be named by each Contracting Party within sixty (60) days of the date of delivery by either Contracting Party to the other of a request for arbitration. Within thirty (30) days after such period of sixty (60) days, the two arbitrators so designated shall by agreement designate a third arbitrator, who shall not be a national of either Contracting Party

(2) If either Contracting Party fails to designate an arbitrator, or if the third arbitrator is not agreed upon in accordance with paragraph (1) of this Article, either Contracting Party may request the President of the Council of the International Civil Aviation Organization to designate the necessary arbitrator or arbitrators. If the President of the Council of the International Civil Aviation Organization is a national of either Contracting Party, the most senior Vice President of the Council who is a national of a third State shall be requested to designate the above-mentioned arbitrator or arbitrators

C. Each Contracting Party shall use its best efforts consistent with its national law to put into effect any decision or award of the arbitral tribunal.

D. Each Contracting Party shall pay the fees and expenses of the arbitrator it has nominated. The fees and expenses of the third arbitrator and of the arbitral tribunal shall be shared equally by the Contracting Parties.

ARTICLE 15

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.

ARTICLE 16

If a general multilateral air transport convention accepted by both Contracting Parties enters into force, the present Agreement shall be amended so as to conform with the provisions of such convention.

ARTICLE 17

Either Contracting Party may at any time give notice in writing to the other Contracting Party of its intention to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight (at the place of receipt of the notice) immediately before the first anniversary of the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn before the end of this period by agreement between the Contracting Parties.

ARTICLE 18

This Agreement shall supersede the provisional arrangements concerning scheduled and nonscheduled air service as set forth in the exchange of notes dated May 14, 1976, as extended by the exchange of notes dated May 17 and June 30, 1977.^[1]

ARTICLE 19

This Agreement shall enter into force on the date of an exchange of diplomatic notes indicating that this Agreement has been approved by the respective Parties in accordance with their constitutional requirements.^[2]

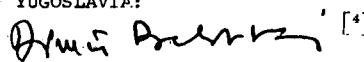
IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE in duplicate, at Washington, this fifteenth day of December, 1977

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

 [3]

FOR THE GOVERNMENT OF THE
SOCIALIST FEDERAL REPUBLIC
OF YUGOSLAVIA:

 [4]

¹ TIAS 8305, 8972, 27 UST 2191, 29 UST.

² May 15, 1979.

³ Julius L. Katz.

⁴ Dimčo Belovski.

[Footnotes added by the Department of State.]

ROUTE SCHEDULE

A. An airline or airlines designated by the Government of the Socialist Federal Republic of Yugoslavia shall be entitled to operate air services on each of the routes specified, in both directions, and to make scheduled landings in the territory of the United States of America at the points specified in this paragraph.

From Yugoslavia via Frankfurt, Amsterdam, and Montreal to New York.

B. An airline or airlines designated by the Government of the United States of America shall be entitled to operate air services on the routes specified, in both directions, and to make scheduled landings in the territory of the Socialist Federal Republic of Yugoslavia at the points specified in this paragraph.

From the United States via intermediate points to Zagreb and Belgrade and beyond. (Services at Zagreb may not commence before April 1, 1979)

C. Points on any of the specified routes may, at the option of each designated airline, be omitted on any or all flights.

MEMORANDUM OF UNDERSTANDINGS RELATING TO THE AIR TRANSPORT
AGREEMENT AND THE NONSCHEDULED AIR SERVICES AGREEMENT

A. The following supplementary understandings will be applied in order to assure that the Air Transport Agreement reflects an equitable exchange of opportunities for the designated airlines of each Contracting Party, after taking into account the nature of the respective markets and the commercial access which each Party is prepared to make available to the other at this time:

1. The designated airline of each Contracting Party shall continue its appointment of the designated airline of the other Contracting Party as its general sales agent in the territory of that other Contracting Party. The designated airline of Yugoslavia shall continue to appoint the designated airline of the United States as its ground handling agent at points which it serves in the United States. The designated airline of the United States shall continue to appoint Airport Belgrade and Airport Zagreb as its ground handling agents at points which it serves in Yugoslavia.

2. The Government of the Socialist Federal Republic of Yugoslavia grants the designated airline of the United States the following rights in respect of the sale of scheduled air transportation in Yugoslavia.

a. The right to sell scheduled air transportation on all of its worldwide services directly to any person for freely convertible currency using its own transportation documents and to convert and remit receipts from such sales to its home country

b. The right to sell scheduled air transportation directly and, at its discretion, through its agents, to Yugoslav citizens for Yugoslav currency using the transportation documents of the Yugoslav designated airline for the following carriage:

(1) on the direct services of the United States designated airline between Yugoslavia and the United States, (2) on its services between any point in Europe and the United States, (3) on its services between Yugoslavia and any intermediate points served in Europe, (4) on its services between Yugoslavia and countries which border on Yugoslavia and between Yugoslavia and Turkey, and (5) on the services of other United States airlines within the United States when connecting with United States designated airline services from Yugoslavia and intermediate points in Europe.

c. All other sales of scheduled air transportation by the United States designated airline in Yugoslavia shall be made through the Yugoslav designated airline and Yugoslav travel agents using the transportation documents of the Yugoslav designated airline.

d. Conversion into convertible currency of receipts from sales performed under subparagraphs (b) and (c) above shall be made by the Yugoslav designated airline and remitted to the United States designated airline through the IATA Clearing House or directly to the account of the United States designated airline with any Yugoslav bank. The United States designated airline may pay from its account with any Yugoslav bank all of its expenses in connection with its operations in Yugoslavia. Revenues in excess of local expenses may be freely remitted to the home country.

e. In no event shall the United States designated airline enjoy less favorable commercial opportunities in Yugoslavia than any other foreign airline.

3. The Government of the United States grants the designated airline of Yugoslavia the right to sell scheduled air transportation in the United States on all of its world-wide services directly and, at its discretion, through its agents, to any person using the transportation documents of the United States designated airline.

4. (a) The designated airline of Yugoslavia shall enjoy the right to operate on its route the following number of narrow-bodied¹ roundtrip frequencies, including extra sections, during each of the periods mentioned:

¹ Wide-bodied aircraft may be substituted using the following ratios

Seats	Ratio
201-300	1 1.5
301-above	1 2.0

<u>Period¹</u>	<u>Number of Narrow-bodied Frequencies</u>
1978 summer season	135
1978/79 winter season	99
1979 summer season	180
1979/80 winter season	132
1980 summer season	180
1980/81 winter season	132

(b) Additional frequencies, including extra sections, will be operated only following approval by the United States authorities. Requests for additional frequencies will be made by filing the proposed schedule through diplomatic channels at least one hundred twenty (120) days but no more than one hundred eighty (180) days before its proposed effective date, and the Yugoslav authorities will be informed of the decision made by the United States authorities no later than sixty (60) days after the United States authorities receive the request. Requests for extra sections will be made by filing through diplomatic channels at least fifteen (15) days before the proposed date of operation.

5. The foregoing understandings and any other necessary matters will be reviewed in consultations between the Contracting Parties prior to March 31, 1981. If agreement to continue or to amend these understandings

¹ A summer season is April 1 through October 31, a winter season is November 1 through March 31.

is not reached by that date, the Route Schedule attached to the Air Transport Agreement and the foregoing understandings will automatically terminate on that date.

B. During the review envisioned in paragraph 5 of Section A above, the Contracting Parties will discuss further the question of Yugoslav rights to operate scheduled air services to Chicago and/or Los Angeles.

C. The Contracting Parties agree to apply the Air Transport Agreement, the Supplementary Understandings set forth in Section A above, and the amendments to the Nonscheduled Air Services Agreement provisionally from the date of signature of these agreements.

FOR THE UNITED STATES
OF AMERICA.



FOR THE SOCIALIST FEDERAL
REPUBLIC OF YUGOSLAVIA.



Washington,
December 15, 1977

TIAS 9364

CANADA

OMEGA Navigational Stations

*Agreement effected by exchange of notes
Signed at Ottawa July 26 and December 20, 1978,
Entered into force December 20, 1978.*

*The American Charge d'Affaires ad interim to the Canadian
Secretary of State for External Affairs*



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 193

Ottawa, July 26, 1978.

Sir:

I have the honor to refer to discussions between officials of our two Governments concerning the establishment, maintenance, and operation of four OMEGA Navigation System Monitoring Stations in Canada. These discussions have led to agreement that development of a cooperative program on the basis of the terms and conditions set forth in the Annex to this note would be in the mutual interest of our two countries.

I have the further honor to propose that, if an agreement to this effect meets with the approval of your Government, this Note and its Annex, together with your reply to that effect, shall constitute an agreement between our two Governments which shall enter into force on the date of your reply and shall remain in force for two years. Thereafter the agreement shall be renewed automatically for further additional periods of two years, subject to the right of either Party to terminate it at any time on six months' written notice to the other.

Accept, Sir, the renewed assurances of my highest consideration.

Enclosure:

Annex.

R.W. Duemling
Robert W. Duemling
Charge d'Affaires ad interim

The Honorable

Don Jamieson,

Secretary of State

for External Affairs,

Ottawa.

ANNEX

Terms and Conditions governing the establishment, maintenance and operation of four OMEGA Navigation System Monitoring Stations in Canada.

1. Cooperating Agencies

The project shall be conducted by cooperating agencies designated by each Government. On the part of the Government of the United States of America the cooperating agency will be the United States Coast Guard, (hereinafter referred to as U.S.C.G.) and on the part of the Government of Canada the cooperating agency will be the Canadian Coast Guard, (hereinafter referred to as C.C.G.) Either Government may change the designation of its cooperating agency by means of a notice in writing to the other Government.

2. Site Selection

The C.C.G. will select four sites for the OMEGA monitoring stations at, or in the vicinity of, Inuvik, Northwest Territories, Resolute, Northwest Territories Frobisher, Northwest Territories; and St. Anthony, Newfoundland. Location of the antennae and equipments at the selected sites will be the responsibility of the C.C.G. with the concurrence of the U.S.C.G.

3. OMEGA Monitoring Electronic Equipment

The U.S.C.G. will. (a) furnish all electronic equipment and spare parts necessary to maintain and operate the OMEGA monitoring stations, including all required magnetic cassette recording tapes; (b) retain title to all equipment and parts; (c) ship the equipment and parts to the sites provided and bear all shipping costs, (d) provide technical assistance and supervise the installation of the receivers, recording devices and whip antennae; (e) repair any power supply, comparator, programmer and receiver modules

(or equivalent equipment) requiring major repair. Such components will be returned to the U.S.C.G. at its expense when repair is required. Components such as light bulbs, recorder pens, etc. may be replaced and minor repairs may be accomplished by C.C.G.

The U.S.C.G. reserves the right to substitute new equipment, which will ease the data collection process, for equipment originally installed. The U.S.C.G. will provide 30 days advance notice of such substitutions.

4. System Operation

The C.C.G. will:

- (a) provide qualified technical personnel necessary to maintain and operate the OMEGA monitoring equipment,
- (b) provide minor on-site routine servicing, including changing magnetic cassette tapes at proper intervals and forwarding the tapes to the U.S.C.G. not less frequently than monthly,
- (c) requisition replacement components for repair of defective equipment. U.S.C.G. personnel will visit the monitoring stations during the installation stage and may thereafter visit the stations for operational, maintenance, training and liaison purposes. Canadian personnel may similarly visit U.S.C.G. facilities for familiarization, training or liaison as required.

5. Financing

Expenses incident to the operation of the monitoring station equipment, including labor costs, installation of the antenna systems, electrical power and removal of equipment, will be borne by U.S.C.G.

The U.S.C.G. will fund the maintenance of returned modules and will reimburse the C.C.G. for minor local repairs in excess of \$250.00 (U.S.) per annum.

6. Immigration and Customs Regulations

Each Government will take the necessary steps, in accordance with its immigration and customs regulations and subject to such controls as are mutually agreed by the Cooperating Agencies, to facilitate the admission into its territory of such personnel, with their personal possessions, as may be assigned by the other Government to participate in the cooperative program.

7. Taxes

Each Government shall, to the extent permitted by its federal legislation, grant relief from all taxes or customs duties on materials and equipment used in installation, operation and maintenance of the OMEGA monitoring stations. In particular, Canada shall grant remission of customs duties and excise taxes on goods imported specifically for the purpose of these facilities and of Federal sales and excise taxes on goods imported specifically for the purpose of these facilities 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 construction, maintenance or operation of these facilities. Canada shall also grant refunds by way of drawback of the custom duty paid on goods imported by Canadian manufacturers specifically for the purpose of these facilities and used in the manufacture or production of goods purchased by or on behalf of the United States and to become the property of the United States in connection with the establishment, maintenance and operation of the facility

8. Technical Characteristics and Site Requirements

The U.S.C.G. supplied OMEGA monitoring equipment will have the following characteristics:

(a) Equipment

Magnavox MX-1104 OMEGA Monitor Receiver

Weight: .75 lbs.

Dimensions. 15" X 15" X 15"

MFE Automatic Magnetic Cassette Tape Device

Weight: 10 lbs.

Dimensions. 10" X 10" X 8"

Eight Foot long Whip Antenna

Antenna Coupler

Antenna Cable

(b) Power Requirements

100-117/220-240 VAC

50-60HZ

100 Watts, 1 AMP

(c) Environmental Requirements

Temperature: 10°C to 50°C

Humidity. 90%

(d) Operation Training: Two-three days at installation time.

(e) Operator Attention: Several minutes per day

(f) General. The receiver and recorder may be either

19-inch rack mounted or placed on a table, depending on what space is available. The receiver is fully automated, requiring only initial setting of desired parameters, a daily check to insure that the receiver is operating, replacement and mailing to U.S.C.G. of the magnetic tape cassettes on a monthly basis, and (where personnel are qualified) replacement of non-functioning circuit boards in the event of a receiver failure. The C.C.G. facility must provide an essentially continuous electrical power

supply Its electrical environment must exclude spurious emissions that will interfere with signal reception, including emissions from arcing of power transformers, welding equipment, heavy machinery, and overhead trolley power lines. The equipment shall not be exposed to temperatures in excess of 50 degrees C. and/or high humidity (above 90% for extended periods)

9. Ownership and Disposition of Equipment

The Government of the United States shall retain ownership of all equipment it provides or pays for in connection with the stations. The Government of the United States shall have the right to remove or dispose of all such property on termination of this agreement, or, to the extent it is no longer required for the operation of the stations, at other times. All shipping costs incurred in the removal of the equipment will be borne by the Government of the United States. Removal or disposal of such United States Government property shall not be delayed beyond a reasonable time after the date upon which the operation of the stations has been discontinued. The disposal of United States Government excess property in Canada shall be carried out in accordance with the provisions of the agreement between the United States and Canada concerning the disposal of excess property, effected by an Exchange of Notes at Ottawa on August 28 and September 1, 1961.^[1]

10. Claims

No liability for any damage to property or injury to persons shall result solely by virtue of the fact that title to equipment or materials is vested in either party

¹ TIAS 4841, 12 UST 1228.

11. Time Schedule and Term of the Agreement

For planning purposes, the OMEGA monitoring stations at Frobisher, St. Anthony, Inuvik and Resolute will be emplaced by June 1978.

12. Security

The Government of Canada shall take reasonable measures to protect the four OMEGA monitoring installations from vandalism and the entry into the installation sites of unauthorized personnel.

13. Subsidiary Arrangements between Cooperating Agencies

Subsidiary arrangements for the purpose of implementing this Agreement may be entered into by the Cooperating Agencies. Such subsidiary arrangements may be modified by the Cooperating Agencies as necessary from time to time, within the purposes of the present Agreement.

14. Protection of Wildlife and Objects of Historical Interest

No game, fish or wildlife shall be taken or molested by Government of United States personnel assigned to participate in the cooperative program, except as permitted by Canadian law.

No objects of archaeological interest or historical significance will be disturbed or removed from Canada.

15. Information

The scientific, technical performance and evaluation information derived by the appropriate authorities of each Government pursuant to this Agreement will be made available to the appropriate authorities of the other Government.

The Canadian Secretary of State for External Affairs to the American Ambassador

Department of External Affairs



Ministère des Affaires étrangères

Canada

OTTAWA, K1A OG2

December 20, 1978

No. FLA-1703

Excellency,

I have the honour to refer to your Note No. 193 of July 26, 1978 concerning the establishment, maintenance and operation of four OMEGA Navigation System Monitoring Stations in Canada.

The Government of Canada accepts your proposal that our two Governments conclude an Agreement on this subject in accordance with the terms and conditions set out in your Note and the Annex thereto.

Accordingly I have the honour to confirm that the Government of Canada 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 the date of this Note and shall remain in force for two years. Thereafter the Agreement shall be renewed automatically for further additional periods of two years, subject to the right of either Party to terminate it at any time on six months' written notice to the other.

His Excellency Thomas O. Enders,
Ambassador of the United States of America,
OTTAWA.

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



[¹]
Secretary of State
for External Affairs

¹ Don. Jamieson.

French Text of the Canadian Note

OTTAWA, K1A 0G2

le 20 décembre 1978

No FLA-1703**Monsieur l'Ambassadeur,**

J'ai l'honneur de me reporter à votre Note
No 193 du 26 juillet 1978 concernant l'établissement,
l'entretien et l'exploitation de quatre stations de
surveillance du système de navigation OMEGA au Canada.

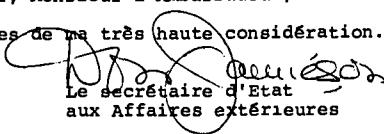
Le Gouvernement du Canada accepte votre pro-
position voulant que nos deux Gouvernements concluent
un Accord à ce sujet conformément aux modalités exposées
dans votre Note et son annexe.

En conséquence, j'ai l'honneur de confirmer que
le Gouvernement du Canada convient que votre Note et
l'annexe qui l'accompagne, et cette réponse, dont les
versions française et anglaise font également foi, cons-
tituent entre nos deux Gouvernements un Accord qui entrera
en vigueur à la date de la présente Note et le demeurera
pendant deux ans. Il sera ensuite reconduit automatiquement
pour des périodes additionnelles de deux ans, sous réserve

Son Excellence M. Thomas O. Enders,
Ambassadeur des Etats-Unis d'Amérique,
OTTAWA

du droit de l'une ou l'autre des Parties d'y mettre
fin à tout moment sur préavis écrit de six mois.

Veuillez agréer, Monsieur l'Ambassadeur,
les assurances renouvelées de ma très haute considération.


Le secrétaire d'Etat
aux Affaires extérieures

MULTILATERAL

**Whaling: Amendments to the Schedule to the
International Whaling Convention of 1946**

*Adopting at the Special Meeting of the International Whaling
Commission, Tokyo, December 19–20, 1978;
Entered into force April 6, 1979.*

**International
Whaling
Commission**

Chairman
Thordur Asgeirsson (Iceland)
Vice-Chairman
M.C. Mercer (Canada)
Secretary
Dr Ray Gambell

The Red House,
Station Road, Histon,
Cambridge CB4 4NP
Telephone: 022023 3971
Telegrams: Interwhale Cambridge

RG/PRM/2352

6 April 1979

CIRCULAR COMMUNICATION TO CONTRACTING GOVERNMENTS**International Convention for the Regulation of Whaling, 1946 [¹]**
Amendments to the Schedule

The Secretary refers to his circular letter of 5 January 1979 (ref: RG/PRM/2194) notifying Contracting Governments of the amendments to the Schedule of the Convention agreed at the Special Meeting of the Commission held in Tokyo, 19–20 December 1978.

No objections have been received to the amendments, a copy of which is enclosed, and they therefore become binding on all Contracting Governments from 6 April 1979.

A revised edition of the Schedule is being printed and will be circulated shortly.

The Secretary requests an acknowledgement of this communication, a copy of which is being sent to all Commissioners.

A handwritten signature in cursive ink that reads "Ray Gambell".

Dr. R. Gambell
Secretary to the Commission

¹ TIAS 1849, 4228; 62 Stat, 1716; 10 UST 952.
[Footnote added by the Department of State.]

International Convention for the Regulation of Whaling, 1946

Amendments to the Schedule

1. At the Special Meeting held in Tokyo, 19-20 December 1978, the Commission agreed to the following amendments to the Schedule:

A. Substantive amendments (changes and new wording underlined)

Table 2. Sperm whale stock classifications and catch limits

Amend entry for Southern Hemisphere Division 5 to read:

"5	90°E-130°E	<u>PS</u>	<u>0</u>	<u>SMS</u>	<u>0"</u>
----	------------	-----------	----------	------------	-----------

Amend entries for North Pacific to read:

"Western Division	<u>SMS</u> ¹	<u>2698</u>	<u>SMS</u> ¹	<u>0</u>
Eastern Division	<u>SMS</u> ¹	<u>1102</u>	<u>SMS</u> ¹	<u>0</u>
<u>Total:</u>		<u>3800</u> ²		<u>0</u>

¹Provisionally listed as SMS for 1979

²Included within this figure there may be a by-catch of females not to exceed 11.5% and all whaling operations are to cease when the by-catch is reached."

Amend second part of paragraph 26 and renumber it as new paragraph 27 to read:

"Notification shall be given in accordance with the provisions of Article VII of the Convention with regard to all factory ships and catcher ships of the following statistical information:

- (a) The name and gross tonnage of each factory ship.
- (b) For each catcher ship attached to a factory ship or land station
 - (i) The dates on which each is commissioned and ceases whaling for the season
 - (ii) The number of days on which each is at sea on the whaling grounds each season
 - (iii) Where possible, the time spent each day on different components of the catching operation
 - (iv) The gross tonnage, horsepower, length and other characteristics of each; vessels used only as tow boats should be specified
 - (v) Any modification of the above measures or data from other suitable indicators of fishing effort for "small-type whaling" operations.
- (c) A list of the land stations which were in operation during the period concerned, and the number of miles searched per day by aircraft, if any.

The information required under paragraphs (b)(iii) to (b)(v) should be recorded in the log book format shown in Appendix A."

B. Consequential amendments**Paragraph 14****Amend to read:**

"14. The number of sperm whales taken in the Southern Hemisphere in the 1978/79 pelagic season and the 1979 coastal season shall not exceed 3820 males and 1055 females. The total catch in any of the Divisions 1 to 9 shall not exceed the limits shown in Table 2."

Paragraph 28**Renumber as 29.****Amend existing paragraph 27 and renumber as 28 to read:**

27.—(a) Where possible all factory ships and land stations shall collect from each whale taken and report on:

- (1) both ovaries or the combined weight of both testes.
- (2) at least one ear plug, or one tooth (preferably first mandibular).

(b) Where possible similar collections to those described in sub-paragraph (a) of this paragraph shall be undertaken and reported by small-type whaling operations conducted from shore or by pelagic fleets.

(c) All specimens collected under sub-paragraphs (a) and (b) shall be properly labelled with the platform or other identification number of the whale and be appropriately preserved.

(d) A Contracting Government shall arrange for the analysis as soon as possible of the tissue samples and specimens collected under sub-paragraphs (a) and (b) and report on the results of such analyses.

TIAS 9366

International Convention for the Regulation of Whaling, 1946Schedule Appendix A

Title page (one logbook per catcher per season)

CATCHER NAME YEAR BUILT

ATTACHED TO EXPEDITION/LAND STATION

SEASON

OVERALL LENGTH WOODEN/STEEL HULL

GROSS TONNAGE

TYPE OF ENGINE H.P.

MAXIMUM SPEED AVE. SEARCHING SPEED

ASDIC SET, MAKE AND MODEL NO.

DATE OF INSTALLATION

MAKE AND SIZE OF CANNON

TYPE OF FIRST HARPOON USED (EXPLOSIVE, ELECTRIC, NON-EXPLOSIVE)

TYPE OF KILLER HARPOON USED

LENGTH AND TYPE OF FORERUNNER

TYPE OF WHALELINE

HEIGHT OF BARREL ABOVE SEA LEVEL

SPEEDBOAT USED, YES/NO

NAME OF CAPTAIN

NUMBER OF YEARS EXPERIENCE

NAME OF GUNNER

NUMBER OF YEARS EXPERIENCE

NUMBER OF CREW

Daily record sheet

DATE..... CATCHER NAME..... SHEET NO.

SEARCHING:	TIME STARTED (OR RESUMED) SEARCHING					
	TIME WHALES SEEN					
	WHALE SPECIES					
	NUMBER SEEN and NO. OF GROUPS					
	POSITION FOUND					
	NAME OF CATCHER THAT FOUND WHALES					
CHASING:	TIME STARTED CHASING (OR CONFIRMED WHALES)					
	TIME WHALE SHOT or CHASING DISCONTINUED					
	ASDIC USED (YES/NO)					
HANDLING:	TIME WHALE FLAGGED or ALONGSIDE FOR TOWING					
	SERIAL NO. OF CATCH					
TOWING:	TIME STARTED PICKING UP					
	TIME FINISHED PICKING UP or STARTING TOWING					
	DATE AND TIME DELIVERED TO FACTORY					
RESTING:	TIME STOPPED (FOR DRIFTING OR RESTING)					
	TIME FINISHED DRIFTING/RESTING					
	TIME CEASED OPERATIONS					

TOTAL SEARCHING TIME.....
 TOTAL CHASING TIME.....
 TOTAL HANDLING TIME.....
 TOTAL TOWING TIME.....
 TOTAL RESTING TIME.....
 OTHER TIME
 (e.g. bunkering, in port).....

WEATHER CONDITIONS

TIME	SEA STATE	WIND FORCE & DIRECTION	VISIBILITY

WHALES SEEN (No. and No. of schools)

BLUE.....	BRYDE.....
FIN.....	MINKE.....
HUMPBACK.....	SPERM.....
RIGHT.....	OTHERS.....
SEI.....	(specify)

SIGNED.....

ISRAEL
Education

*Memorandum of understanding signed at Jerusalem
November 15, 1978;
Entered into force November 15, 1978.*

MEMORANDUM OF UNDERSTANDING ON EDUCATION

Recognizing that the peoples of Israel and the United States share similar, deeply held values about life, freedom, the dignity of the individual and the search for knowledge;

Desiring to encourage greater understanding and further strengthen relationships between our two countries;

Believing that the expansion of mutually beneficial exchanges and co-operation in education will contribute to the achievement of these aims;

The parties to this agreement have agreed as follows:

ARTICLE I:**GENERAL PRINCIPLES**

The parties shall enhance and expand co-operative efforts in education according to the following general principles:

A. Exchanges and other co-operation will be encouraged and developed in selected areas of education on the basis of equity, mutual benefit and reciprocity;

B. Such exchanges and co-operative efforts shall be subject to the applicable laws and regulations of the respective countries; within this framework the parties will make every effort to promote facilitative conditions for the fulfillment of exchanges and other co-operative efforts;

C. The activities undertaken as part of this memorandum will be conducted by relevant government agencies in each country with the advice and co-operation of the U.S. - Israel Education Foundation, as appropriate;

D. The co-operation provided for in this memorandum shall seek to emphasize new areas for exchanges and joint activities, avoiding duplication of existing programs in the field of education.

ARTICLE II:

AREAS OF PRINCIPAL ACTIVITY TO CARRY OUT
THE PURPOSES OF THIS MEMORANDUM

The parties agree to give principal attention to the following general areas of activity:

A. Encouragement of academic and professional exchanges, including teachers and administrators, and other co-operation, including research, concerning improvement in early childhood education;

B. Development, research into and evaluation of new programs for the education of the economically disadvantaged and the handicapped, at the early childhood, elementary and secondary levels;

C. Development of curriculum, teaching techniques and instructional materials dealing with the history, culture and society of each country, at the elementary and secondary levels;

D. Encouragement of public and private co-operation for the exchange of secondary school teachers of the public school systems of the two countries;

E. Encouragement of new, direct relationships and exchanges of information and research between institutions and individuals in the two countries in support of the activities included in this memorandum.

ARTICLE III:**ORGANIZATION AND COOPERATION**

1. The executive agency which will be responsible for fulfilling the terms of this agreement for the United States of America shall be the Department of Health, Education and Welfare, coordinating as appropriate with the Department of State, and the International Communication Agency. The executive agency responsible for Israel shall be the Ministry of Education and Culture, coordinating as appropriate with the Ministry of Foreign Affairs.

2. The representatives of these agencies (and others as appropriate) will meet periodically to review the implementation of exchanges and co-operation and to develop specific programs embraced by this memorandum. The preparation of such meetings, their timing and their agendas, will be established through diplomatic channels.

ARTICLE IV:**IMPLEMENTATION**

To implement the various provisions of this memorandum of understanding, the parties have established a program of cooperative activities for the period January 1, 1979 to December 31, 1980, which is annexed to and constitutes an integral part of this memorandum.

ARTICLE V:**FINANCING**

Both parties agree that the financing of the programs provided for in this memorandum shall be drawn from the funds allocated in the budget for their respective agencies, subject to the availability of funds and the laws and regulations of both countries. Each side shall bear the costs of its participation.

ARTICLE VI:

TERM OF MEMORANDUM

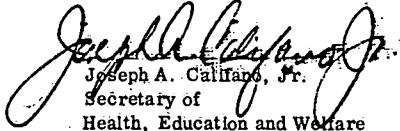
The Memorandum shall enter into force upon signature and remain in force until November 15, 1981. Extension for successive periods will require agreement by both parties.

Done in Jerusalem, this 15 Heshvan 5739 corresponding to 15 November 1978 in duplicate, in the English and Hebrew languages, both texts being equally authentic.

FOR THE UNITED STATES OF AMERICA



Samuel W. Lewis
American Ambassador



Joseph A. Califano, Jr.
Secretary of
Health, Education and Welfare

FOR THE STATE OF ISRAEL



Zevulun Hammer,
Minister of Education and Culture

[SEAL]

[SEAL]

ANNEX TO MEMORANDUM OF UNDERSTANDING

PROGRAMS OF EXCHANGES FOR 1979-80

A. Colloquium on Education of the Disadvantaged, Israel, 1979.

The Department of Health, Education and Welfare and the Minister of Education and Culture will sponsor a colloquium in Jerusalem in January, 1979, on education of the disadvantaged at all age levels, from pre-school on up. The colloquium will enable American and Israeli researchers, scholars and practitioners to share research findings and experience, and identify promising programs in Israel and the U.S. which might be adopted and introduced. The colloquium will be chaired by the Israeli Minister of Education and Culture and the U.S. Commissioner of Education.

B. Colloquium on Education of the Disadvantaged; United States, 1980.

A similar colloquium will be held in the U.S. in 1980. It is expected that colloquia on various educational topics will continue to be held in the future, alternating as to country of site.

C. Summer Seminar on Israel, to be held in Israel, 1979.

A four to eight week summer seminar, providing an in-service education program on ancient and modern Israel, to be held in Israel in the summer of 1979 for 10 to 15 American social studies teachers.

D. Summer Seminar on Israel, to be held in Israel, 1980.

A similar seminar on ancient and modern Israel, for same types of American participants, will be held in Israel in 1980.

E. Summer Social Studies Seminar, Israel, 1979.

A six to eight week summer seminar, providing an in-service education program on Israel for ten American social studies supervisors and curriculum development specialists from state education departments and large school systems, will be held in Israel in the summer of 1979.

F. Summer Social Studies Seminar, Israel, 1980.

A similar seminar with same types of American participants will be held in Israel in the summer of 1980.

G. Model Projects on Early Childhood Services for the Visually Handicapped.

A particular type or types of intervention will be demonstrated and evaluated concurrently in both countries. A meeting in Israel in January 1979 of five scholars from the U.S. and five scholars from Israel will select the components of the intervention(s) to be tested. The intervention model(s) will be tried out in two U.S. sites, beginning in the fall of 1979 and continuing for two years. A further U.S. - Israel meeting in September, 1980, will compare findings and issue a final report.

H. Report on Education and Life-Styles of Severely Handicapped Adolescents.

In the spring of 1979, the U.S. and Israel will each send administrative personnel from two or three communities to review programs in the other country relating to the education and life-styles of severely handicapped adolescents. On returning to its own country, each delegation will meet in the summer of 1979 to identify the components of an education and life-styles program that could be applied, given the constraints or opportunities in the respective culture. In the winter of 1980, a joint working conference, attended by the personnel from both countries, will prepare a report on the skills needed, the primary services and support services required, and the opportunities for continued interaction between the two countries, with a recommendation for possible follow up activities.

**I. Summer Seminar on Secondary School Systems for Handicapped Youth
to be held in the U.S., 1979.**

A one to two week seminar will be held in the U.S. in the late spring/early summer, 1979, for secondary school administrators, administrators of vocational education and vocational rehabilitation, academics and others (20 to 30 from each country), to review various methods and procedures used in the two countries to provide an appropriate secondary education to handicapped youth. The seminar will explore such areas as (1) identification, location and diagnosis of handicapped adolescents; (2) development of an educational plan for the youth; (3) development, selection and assignment of appropriate curriculum, including vocational and career education; (4) evaluation of student and staff programs; and (5) identification of in-service training needs of professional staff.

J. Summer Seminar on Secondary School Systems for Handicapped Youth,
to be held in Israel, 1980.

A similar seminar with the same types of participants will be held
in Israel in the late spring/early summer of 1980.

K. Support of Research Related to Education of the Disadvantaged.

The Ministry of Education and Culture and HEW, through the National Institute of Education, will explore with the U.S./ Israel Binational Science Foundation the initiation of mutually sponsored research concerning the education of the disadvantaged, with a focus on topics of interest to the two countries, such as bilingual education, multicultural education, compensatory programs for the disadvantaged, or other research topics to be agreed upon. Arrangements for procurement and selection of researchers will be approved by both countries.

L. Educational Quality Assessment in Israel.

The U.S. will cooperate with Israel in exploring the establishment of an educational quality assessment center in Israel. Two Israeli educators who will also be members of the organizing committee for the center, will spend a period in the U.S. at a specific educational quality assessment center, decided upon by HEW (such as Pennsylvania Department of Education's Division of Educational Quality Assessment which conducts the Pennsylvania EQA program "The Pennsylvania Plan"). The American center will supply sample tests, exams and surveys to the new Israeli center. By the end of 1979 specialists from the American center will be in Israel to assist and advise the Ministry of Education in establishing the center.

M. Cognitive Studies and Education.

A one month visit from three Israeli experts to U.S. institutions that have specialized in cognitive studies and education, to become informed of recent developments in this area.

N. U.S. - Israel Educational Documentation Program.

A program to share information and research findings in the area of the education of the disadvantaged and the education of the handicapped. A small working committee will meet in Israel in 1979, to explore the possibilities of establishing such a program.

O. Summer Seminar on American Government, Culture and Society,
to be held in Israel, 1979.

A four to eight week summer seminar for Israeli curriculum development specialists and educators, to prepare curricular and teacher education materials on the teaching of American government, culture and society for Israeli schools. Three experts from the United States will join Israeli staff to work with approximately twenty Israelis.

P. Summer Seminar on American Culture, Government and Society,
to be held in Israel in 1980.

A similar seminar on American government, culture and society, for the same types of Israeli participants, will be held in Israel in 1980.

Q. Summer Seminar on American History and Culture, to be held in Israel, 1979.

A four to eight week seminar for Israeli high-school teachers. Two experts from the United States will join Israeli staff to work with approximately sixty Israeli teachers.

R. Summer Seminar on American History and Culture, to be held in Israel in 1980.

A similar seminar on American history and culture for the same type of Israeli participants will be held in Israel in 1980.

S. The Teaching of English in Israel School System.

Three United States specialists will be invited to Israel in 1979 to assist the Ministry of Education and Culture with methods of teaching English in the Israel school system. Following this, three Israeli specialists will visit the United States to continue work and study in this field.

תזכיר הבנה בעניןינו חינוך

בاهיכרם כי עמי ישראל וארצות הברית שותפים בערכיהם דומים ומוסריים עטוק על חיים, חירות, כבוד הפרט ובקשת הדעת;

ברזותם לעורר הבחנה רחבה יותר ולהוסיף ולחזק את טרכת היחסים בין שני ארצותינו;

באהיככם כי החבתם של חילופים ושיתוף פעולה גושאי תומכת הדrait בצדיה החינוך מתրום להשתנתן של ספרות אלו;

הסכימו הצדדים להסכם זה לאמור :

סעיף 1 : עקרונות כלליים

הצדדים יגבירו ויריחיבו מאסרים מרותפים בשדה החינוך, בהתאם לעקרונות הכלליים דלקמן :

א. יעודדו ויפרתו חילופים ושיתוף פעולה אחר בתחוםי חינוך נבחנים, על בסיס של יושר, תופלת הדrait והדרידות;

ב. חילופים ומאסרים מרותפים כאמור יהיו כפופים לחוקים ולתקנות החקלאים בכל ארץ; בסכורת זו ימשר הצדדים כל מאס כדי לקדם תנאים סבירים לסייעתם של חילופים ומאסרים מרותפים אחרים;

ג. הפיזיונות הנתקשות כחלק מתקدير זה יתגלו בידי הסוכנויות הסטטליות הזרוגות בדבר בכל ארץ וארץ, בעזה ובשתיות פנולה עם קרע החינוך של אריה"ב וישראל, לפי הראות.

ד. שיתוף הפעולה שבקבוע בתזכיר זה יבקש להציג תחותמים חדשים לחילופים ולפעילות מרותפות, וימצע בכך כפילות עם תכניות קיימות בשדה החינוך.

**סעיף 2 : תחומי הפעולות העיקריים
לימושן של מדינות הזכיר זה**

הצדדים סכימים ליתן חשיבות לב עיקרית לתחומי הפעולות הכלליים דלקמן :

א. חילופיהם של אקדמאים ואגשי מקצוע, לרבות סורים ואגשי סיבנה, ויפוי רשות פנולה אחר, לרבות מחקר, בוגשו שיפור החינוך בגיל הילדות המוקדם;

- ב. פיתוח, מחקר והערכה של תכניות חדשות לחיבורם של סקופיים מחייבת כלכלת ושל מרגלים, בגין הילודת הסוקדם, וברמות חיבור יסודי ותיכו;
- ג. פיתוחם של תכניות ליסודים, מכנייקות הוראה וציריך הוראה בוגרי ההיסטוריה, התרבות והחברה של כל ארצ וארץ, ברמות חיבור יסודי ותיכו;
- ד. עידוד שיטות פעולה, ציבורי ופרטי, בחילופי מורים בתאי ספר תיכוניים של מערכות החיבור הצבורי של שתי הארץ;
- ה. עידוד למערכת יחסים חדש ושירה ולחילופי מידע ומחקר בין מוסדות ויחידים בשתי הארץ, בתמיכת פעילותות הכלולות בתזכיר זה.

סעיף 3 : ארגון ושיטות פעולה

1. הסוכנות המבוצעת אישר תהיה אחראית להגמת האמור בהסכם זה בשם סמשלת ארצות הברית של אסלאם תהא מלחת הבריאות, החיבור והרווחה, שתפקידו פועלותיה, לפי הגנות, עם מחלת המדינה והסוכנות לתקורת ביון-לאומית. הסוכנות המבוצעת האחראית בשם ישראל יאה משרד החיבור והתרבות, בהתאם פועלותיו, כפי הגנות, עם משרד החוץ.
2. בזיגיון של סוכנויות אלו (ואהירות, כפי הגנות) ייפגשו סದן לדין כדי לבחון את ביצועם של החלופים וטירוף הפעולה ולפתח תוכניות סייחדות כלולות לתזכיר זה. ההצעה של פגישות כאמור, קביעת מועד וסדר יומן, ייקבעו באמצעות צינורות דיפלומטיים.

סעיף 4 : ב ר צ ו ע

כדי לבצע את ההוראות השורגות שבתזכיר הבנה זה, קבעו הצדדים תוכנית לפעילויות משותפות לתקופה מס-1 ביגואר 1979 עד 31 בדצמבר, 1980. הבשחתת לתקזכיר זה והמהווה חלק בלתי בפרק הימנו.

סעיף 5 : ס ר מ ו נ

שדי הצדדים מסכימים כי מיזבון של התכניות שבוצעו בתזכיר זה ייפאץ טן הכספיים שהוקדו בתקציב לסוכנויותיהם המתאימות, בכפוף להימצאותם של כספים ולהרקיון וلتקנותיהם של שתי הארץ. כל גז ימם בהוצאות השתפותו.

סעיף 6 : תקופת המזכירות

המזכיר ייכנס לתקופו עם החתימה ויישאר בתקופו עד
15 בנובמבר 1981. הארוכה לתקופות של אחר סכו מדרושים את
הסכמתם של בני הצדרים.

בנמה בירושלים ביום ט"ו לחודש חשוון תשל"ט, שהוא
יום 15 לחודש נובמבר 1978, בעותק כפROL, בصفות האנגלית
והגרמנית ושני הנושאים אמייניס בסידנה שורה.

בשם מדינת ישראל

בשם ארצות הברית של ארצות הברית

קווין גאר

דבלוון הסר
שר החינוך והתרבות

George A. Lewis
סנאטור ג. לואיס
שגריר ארצות הברית

ג'וזף א. קליפנו
יוסף א. קליפנו
מזכיר הבריאות, החינוך והרווחה

נספח לתקנון ההבנה
תקננות חילופום ל- 1979 - 1980

א. רב-שיח על חיבוכם של טורבי הטיפורח, ישראל, 1979.

מחלקת הבריאות, החינוך והרווחה ושר החינוך והתרבות ייזורו רב-שיח בירושלым, ביג'ורא 1979, על חיבורם של טורבי הטיפורח בכל רשות הגיל, מון הגיל הקדש בית-ספרי ומעליה. הרב-שיח יאפשר לחוקרים, סלומדים ואנשי מקצוע אמריקניים וישראלים לשתחזקה זהה נספכאי מחקר ובגיטון, ולצידן תכניות שפותחות בישראל ובארה"ב, שאפשר לאגדן ולהנגן. בראש הרב-שיח ישבו שר החינוך והתרבות של ישראל ובצידן החינוך של ארה"ב.

ב. רב-שיח על חיבוכם של טורבי הטיפורח, ארצות הברית, 1980.

רב-שיח דומה יתקיים באלה"ב ב-1980. סקרים כי רב-שיח על ברושים חינוכיים שוגדים ימשיכו להתקיים בעתיד, כשהם יגידו על יהיה במתן הארץ, לסייעינו.

ג. ספיבר קיז על ישראל, שיתקיים בישראל ב-1979.

ספיבר קיז של ארבעה עד שפינה שבועות, אשר יספק תכנית חינוך על ישראל העתיקה והחדשה לבני אדם שבשירות, יתקיים בישראל בקיז 1979 עד 10-15 סורים אמריקניים למדי החברה.

ד. ספיבר קיז על ישראל, שיתקיים בישראל, ב-1980.

ספיבר דומה על ישראל העתיקה והחדשה, לאורותם שוגדים של משתפים אמריקנים, יתקיים בישראל ב-1980.

ה. ספיבר קיז למדי החברה, ישראל, 1979.

ספיבר קיז של שפה עד שפינה שבועות, אשר יספק תכנית חינוך על ישראל לבני אדם שבשירות, למזרה מפקחים על מדי החברה ומוסחים לפיתוח תכניות לימוד, אמריקניים, מחלקות החינוך של המדיות ו鄯ערבות החינוך הגדולות, יתקיים בישראל בקיז 1979.

ו. ספיבר קיז למדי החברה, ישראל 1980.

ספיבר דומה עם אוותם טוגדים של משתפים אמריקניים, יתקיים בישראל בקיז 1980.

ז. פרויקטים לדוגמא על שירותים לגיל הילדות המוקדם, לפחות טוגבלים בראשיה.

ירדגסו ויוערכו טוג או טוגים פירוחדים של סייפול, במקביל בשתי הארץ. בפגישת ישראל ביג'ורא 1979, של חמשה מיליון אמרה"ב וחמשה מיליון ישראל, ייבחרו סרכיבי הטיפורל(ים) שיברגסו. דגם (דגם) הטיפורל יברגו בשני מקומות באלה"ב, החל ספטמבר 1979. וויפשבו שנתיים מים. פגישה נורצת אמריקנית-ישראלית בספטמבר 1980 משווה את הממצאים ותוציא דין וחשבון מהפי.

ח. דין וחשיבות על חיבורם ואורחות חייהם של מתבגרים הסוגנליים
באופן חסרה.

באביב 1979 ישלחו ארה"ב וישראל אגשי צוות סיבובלי משגניהם או
שלושה מופיעות יישוב, כדי לבחון חכירות הארץ בדור חיבורם
ואורחות חייהם של מתבגרים הסוגנליים באופן חסרה. בשום לארצם
תמכנו כל מלחמת בקי"ז 1979 כדי לקבוצה את מרכזיותה של תכנית
לחיבור ולאורחות חייהם יונתן יהא להפעילה, בהתחשב במינימום או
באפשריות שבחרובה של כל אחת מטעמי הארץ. בחורץ 1980, תכנן
רעדת עבורה שבסופה, שימתה בה אגשי הזרות, רעדת הארץ, דין
וחשובו על הסימוכניות הגדשות, על השירויות הראשוניים ושירותי
הטמיה הגדרשים, ועל האפשרויות לפערת גומלין נספח בין שמי
הארצאות, בלוריות המלצה לפעלויות מעקב אפשריות.

ט. סיגור קיז על מערכות חיבור תיכוני לבוער מוגבל, שיטקיים
באלה"ב, ב-1979.

סיגור של שבוע עד שבועיים יתקיים באלה"ב בסוף האביב וראשית הקיץ
של 1979, לאושם סיבוב לחיבור החיבורו, לאגשי סיבוב לחיבור סקוצוי
ובשיקום מקורי, לאקדמאים ולהורים (20 עד 30 מכל ארצ), כדי
לבחון שיטות גנליים ווגניים המשמשים בשתי הארץ, לפחות חיבור
תיכוני שתאים לבוער מוגבל. הסיגור יחוור בחומר החומר (1)
דיזוריים, מיקומים ואבחנות של גנבים מוגבלים; (2) פתרות תכנית
חיבור לתיכון לבוער; (3) בחירה וקביעה של מכנית ליפורם גאותה,
לרבוט חיבור סקוצוי וחיבור לкриירה; (4) הערכת התכניות לתלמידים
ולחבר העובדים; ו-(5) צירוגם של זרכים להכשרה תוך כדי שירות
 לחבר צובדים סקוצוי.

י. סיגור קיז על מערכות בתי ספר תיכוניים לבוער מוגבל, שיטקיים
בישראל, ב-1980.

סיגור קיז עם אורתם סרגים של משתתפים יתקיים בישראל בסוף האביב
וראשית הקיץ של 1980.

יא. מידקה במחקר הקשור בחיבורם של טובי הספרות.

מחלקת התרבות, החיבור והרווהה ומשרד החיבור והתרבות, באמצעות
המכון הלאומי לחיבור, ייענו, יחד עם קרן המדריך הדלאורטית של
ארה"ב וישראל, ביזום מחקר, בחסות משותפה, בדור חיבורם של טובי
הספרות, כשםך המחקר יסוב על גופים בעלי עניין לשתי הארץ,
כגון חיבור דר-לשוני, חיבור רב-תרבותי, מכניות פיזיולוגיות לסוגני
ספרות או על גושאי מחקר אחרים שודוכם עליהם. סיורים להשגתם
ולבחירתם של חוקרים יאורשו ע"ז בני הגדדים.

יב. הערכת איצרות החיבור בישראל.

ארה"ב תחת פטולה עם ישראל בבחינות כיבורו של מרכז להערכת איצרות
החיבור בישראל. בני מובנאים ישראליים, אשר יהיו גם חברי הוועד
המארגן של מרכז, ישהה באלה"ב, ובמרכז מסודם להערכת איצרות החיבור,
ועליו תחולית המחלקה לתרבות, חיבור ורואה (כגון האגף להערכת
aicruth הבחירה של מחלקה החיבור בפזילובניה, המגולמת את התכנית
להערכת איצרות החיבור של פזילובניה; היא "תכנית פזילובניה").

המרכז האמריקני יספק דרגמאות לסייענים, לנחיות וლסקרים
לרכז הישראלי החדש. לכל המאוחר בסוף 1979 יהיה מומחים
מן המרכז האמריקני בישראל, כדי לסייע וליעוץ למשרד החינוך
בקמתו של המרכז.

יג. ליפורדים הCarthyים וחיבורו.

ביקור של חודש יסייע לפוליטה מומחים ישראליים במוסדות של ארה"ב.
אשר התאפשר בליפורדים הCarthyים וחיבורו, כדי שיעמוד על התפתחות
החינוך במוחם זה.

יד. תכנית לתיעוד חינוכי של ארה"ב וישראל.

תכנית לשיתוף פעולה ומצאי מחקר בתחום חינוכם של פנויי הטיפוח
וחיבורו הסוגניים. ועד הפעולה המוצמצם יפגש בישראל ב-1979 כדי
לבחון את האפשרויות לכינונה של תוכנית זו.

טו. סיבוב קיז' על משל, תרבות וחברה אמריקניים, שיתקיים בישראל
ב-1979.

סיבוב קיז' של ארבעה עד שבעה שבועות למומחים לפיתוח תוכניות ליטורט
ולמחככים, ישראליים, כדי להכין חומר חינוכי לתכניות ליטורט ולמחככים,
על הוראת משל, תרבות וחברה אמריקניים לבתי-ספר ישראליים. שלושה
מומחים מארצות הברית יצטרפו לצורכי ישראלי כדי לעבוד עם כפדרים
ישראלים.

טז. סיבוב קיז' על תרבות, משל וחברה אמריקניים, שיתקיים בישראל
ב-1980.

סיבוב דומה על משל, תרבות וחברה אמריקניים, לאוטם סוגים של
שותפים ישראלים, יתקיים בישראל ב-1980.

יז. סיבוב קיז' על היסטוריה ותרבות אמריקנית, שיתקיים בישראל ב-1979.

סיבוב של ארבעה עד שבעה שבועות, לモרי בת-ספר תיכוניות בישראל.
שני מומחים מארצות הברית יצטרפו לצורכי ישראלי כדי לעבוד עם
כששים טוריים ישראלים.

יח. סיבוב קיז' על היסטוריה ותרבות אמריקנית, שיתקיים בישראל ב-1980.

סיבוב דומה על היסטוריה ותרבות אמריקנית, לאוטם סוג של שותפים
ישראלים, יתקיים בישראל ב-1980.

יזט. הוראת האנגלית במערכת בת הספר של ישראל.

שלושה מומחים מארצות הברית יוזמנו לישראל ב-1979, כדי לסייע למשרד
חינוך והתרבות בשיסות להוראת האנגלית, במערכת בת הספר בישראל.
לאחר מכן יקרה שלושה מומחים ישראליים בארכות הברית, כדי להמשיך
בעבודה ובמחקר בתחום זה.

ג. ג.

ICELAND
Shellfish Sanitation

*Memorandum of understanding signed at Reykjavik and
Washington October 25 and December 28, 1978;
Entered into force December 28, 1978.*

MEMORANDUM OF UNDERSTANDING

Between The

FOOD AND DRUG ADMINISTRATION,
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
UNITED STATES OF AMERICA

And The

MINISTRY OF FISHERIES
GOVERNMENT OF ICELAND

The Ministry of Fisheries of Iceland and the Food and Drug Administration (FDA) of the Department of Health, Education, and Welfare of the United States of America affirm by this document their intention to cooperate in assuring that fresh and fresh frozen oysters, clams, and mussels exported to the United States are safe, wholesome, and have been harvested, transported, processed, and labeled in accordance with the provisions of the National Shellfish Sanitation Program (NSSP) and requirements of the Federal Food, Drug, and Cosmetic Act.^[1]

I. TERMS: For purposes of this Memorandum, both parties agree to the following definitions:

Lot--A collection of primary containers or units of the same size, type, and style, produced under conditions as nearly uniform as possible, designated by a common container code or marking, and in any event, no more than a day's production.

¹ 52 Stat. 1040; 21 U.S.C. § 301.

Central file--The single location where shellfish control program information, data, and reports are stored and maintained.

Coliform group--All of the aerobic and facultative anaerobic, gram-negative, nonsporeforming bacilli which ferment lactose with gas formation within 48 hours at 35°C.

Fecal coliform group--Any bacteria as defined under the coliform group which will produce gas in E. coli medium within 24 hours at 44.5°C (+ 0.2°) in a water bath.

Bait shellfish--Shucked shellfish labeled and intended for bait use only; not for human consumption.

Shellfish--All edible species of molluscan bivalves except scallop species from the family Pectinidae. Only molluscan bivalves that are offered for entry into the United States as fresh or fresh frozen products are intended for coverage under this Memorandum of Understanding.

Marine biotoxins--Natural toxins produced by marine dinoflagellates such as Gonyaulax catenella, Gonyaulax tamarensis, and Gymnodinium breve and concentrated by shellfish during the feeding process.

II. FOOD AND DRUG ADMINISTRATION AND MINISTRY OF FISHERIES.

A. Both parties agree to provide information concerning proposed changes in the following:

1. Methods and procedures for sampling.
2. Methods of analysis.
3. Methods of confirmation.
4. Administrative guidelines, tolerance, specification standards, and nomenclature.
5. Reference standards.
6. Inspectional procedures.

B. Both parties agree to inform each other on a timely basis of the following:

1. Proposed modification of existing Federal or local regulations.
2. Proposed new Federal regulations.
3. Proposed new legislation.
4. Proposed modifications to the National Shellfish Sanitation Program.

C. Both parties agree to name a liaison officer who will coordinate all matters relating to this Memorandum. The liaison officers will be responsible for facilitating exchanges of information and expeditiously informing other interested parties within their respective countries on shellfish control problems requiring prompt attention.

Each party agrees to provide notification of any changes in liaison officer appointments. Such notification shall constitute an amendment to, and not require a revision of, this agreement.

The Iceland liaison officer is THORÐUR ÞSGEIRSSON
DEPUTY SECRETARY GENERAL

The FDA liaison officer is J. DAVID CLEM
Chief, Shellfish Sanitation
Branch

D. Both parties agree that the working language for documents exchanged under this Memorandum shall be in English.

III. MINISTRY OF FISHERIES

A. The Ministry of Fisheries agrees to classify its shellfish harvesting water in accordance with the procedures and standards set forth in the National Shellfish Sanitation Program (NSSP). The Ministry of Fisheries will assure that only fresh and fresh frozen shellfish harvested from areas which meet NSSP approved water quality and marine biotoxin standards and processed according to NSSP guidelines will be exported to the United States.

B. The Ministry of Fisheries agrees to inspect harvesting, transporting, and processing operations of fresh and fresh frozen shellfish at sufficient frequency to assure compliance with the NSSP sanitary control practices.

C. The Ministry of Fisheries agrees to issue certifications only to those fresh and fresh frozen shellfish shipping firms that comply with NSSP recommended practices and to notify FDA of the name, location, and certification number of these firms on Form FD-3038b "Shellfish Certification." To cancel a firm's certification, the Ministry of Fisheries will send a completed Form FD-3038c "Certification Cancellation" to FDA.

D. The Ministry of Fisheries agrees to require all containers of all lots of fresh and fresh frozen shellfish exported to the United States of America to be identified by lot number and certification number, together with all other information required by the Federal Food, Drug, and Cosmetic Act.

E. The Ministry of Fisheries agrees to facilitate joint inspections by FDA and Ministry of Fisheries officials of Iceland's certified fresh and fresh frozen shellfish processing firms, approved growing waters, and related harvesting and handling practices. Such inspections will be made on an annual basis or at a frequency deemed appropriate to determine that the Ministry of Fisheries shellfish sanitation control program is equivalent to the NSSP recommended practices and that only safe and wholesome fresh and fresh frozen shellfish are being exported to the United States.

F. The Ministry of Fisheries agrees to make travel arrangements for, and pay transportation expenses of, the FDA inspection team while the team is conducting inspections within Iceland.

G. The Ministry of Fisheries agrees to participate to the maximum extent possible in FDA's laboratory quality assurance programs. These may include:

1. Participation in the analysis of split samples of:
 - a. Seawater or shellfish meats for indicator bacteria or pathogens.
 - b. Shellfish meats for heavy metals or other chemical or radionuclide contaminants as may be necessary.
2. The evaluation of new methods and procedures, including reagents, media, or other materials and instruments and equipment performance.

H. The Ministry of Fisheries agrees to the establishment of a central office within Iceland to collate and maintain a central file of laboratory results, including routine monitoring data and data from quality assurance programs. Standard formats for collecting and reporting data will be used.

I. If lots of shucked shellfish are imported into the United States for use as bait, the Ministry of Fisheries will assure that each container is labeled "Not for human use" and the contents are decharacterized by use of a permanent colored dye.

J. Promulgation and enforcement of regulations governing the growing, harvesting, processing, and shipment of fresh or frozen shellfish produced by Iceland for export to the United States are the sole responsibility of the Ministry of Fisheries.

K. The Ministry of Fisheries cannot be held liable for damages resulting from defects or non-compliance of Icelandic fresh or fresh frozen shellfish products produced under the provisions of this MOU.

IV. FOOD AND DRUG ADMINISTRATION.

A. FDA agrees to publish the names, locations, and certification numbers of certified firms submitted by the Ministry of Fisheries. These firms will appear in the monthly INTERSTATE CERTIFIED SHELLFISH SHIPPERS LIST.

B. Upon request FDA will provide limited training to technical personnel in laboratory procedures, classification of shellfish growing areas, and inspection and administrative procedures.

C. Whenever Icelandic shellfish are detained by FDA due to noncompliance with NSSP agreed upon practices or applicable laws or regulations, FDA will inform the Ministry of Fisheries of the reason or reasons for the detention.

This information will include:

1. Commodity lot and certification number.
2. Name and address of the shipper.

3. Reason for the detention.
 4. Sampling procedure.
 5. Methods of analysis and confirmation.
 6. Administrative guidelines.
- D. FDA agrees to make travel arrangements for, and pay round trip transportation expenses of, its inspection team between the United States and Iceland. FDA will also pay all per diem of the inspection team.

V. NATIONAL SHELLFISH SANITATION PROGRAM.

Upon signing this agreement, the Ministry of Fisheries becomes an active participating member of the National Shellfish Sanitation Program (NSSP). As a full member of the NSSP, the Ministry of Fisheries may participate in national workshops, cooperative research programs, seminars, training courses, and other activities designed for the timely exchange of technical information, assistance, and joint resolution of problems confronting the NSSP. The Ministry of Fisheries may also:

- A. Participate in a joint evaluation of the United States program as it pertains to shellfish exports to Iceland.
- B. Make recommendations for changes and improvements in NSSP guidelines, methods, and standards.

C. Be advised by FDA in the event a State or local food control official questions the certification, safety, or wholesomeness of Iceland's imported shellfish. FDA will, if so informed, seek to determine the reason for the problem and inform the Ministry of Fisheries of any action taken relative to State and local laws or regulations governing such shellfish imports.

REFERENCES

1. U.S. Department of Health, Education, and Welfare, PHS, National Shellfish Sanitation Program, Manual of Operations: Part I Sanitation of Shellfish Growing Areas, 1965 Revision; Part II Sanitation of the Harvesting and Processing of Shellfish, 1965 Revision; Part III Public Health Service Appraisal of State Shellfish Sanitation Program, 1965 Revision, PHS Publication #33.
2. "Official Methods of Analysis", 12th Ed., Association of Official Analytical Chemists, Box 540, Benjamin Franklin Station, Washington, D.C. 20044, 1975.
3. Food and Drug Administration, "Interstate Certified Shellfish Shippers List," published monthly and distributed to food control officials and other interested persons by FDA, Bureau of Foods, Shellfish Sanitation Branch (HFF-417), 200 C St., S.W., Washington, D.C. 20204.
4. Federal Food, Drug, and Cosmetic Act, as amended, United States Code, Title 21.

5. Fair Packaging and Labeling Act, Pub. L. 89-755,
approved November 3, 1966.

6. American Public Health Association, "Recommended
Procedures for the Examination of Seawater and Shellfish,"
4th Ed., 1970, APHA, Inc., 1015 18th St., N.W., Washington,
D.C. 20036.

7. Food and Drug Administration, "Current Good Manu-
facturing Practice in Manufacturing, Processing, Packing, or
Holding Human Food" regulations, 21 CFR Part 110.

8. Food and Drug Administration, Definitions and
Standards for Food, "Fish and Shellfish" regulations, 21 CFR
Part 161.

Both parties agree that this memorandum shall become
effective on the date it is signed by both parties. It shall
remain in effect, and govern all fresh and fresh frozen shellfish
exported to the United States of America, pending revision or
revocation at the request of either agency. Upon signature of
both parties, this Memorandum of Understanding will be published
in the FEDERAL REGISTER. A copy of the Memorandum will be
available for public review at the office of the Hearing Clerk
(HFC-20), Food and Drug Administration, Rm. 4-65, 5600 Fishers
Lane, Rockville, MD 20857.

In witness whereof, the agencies have executed this
Memorandum.

For the Ministry of Fisheries, Iceland:

By: Jon L. Arnalds [1]

Title: Secretary General

Date: Oct 25, 1978.

For the FDA, United States of America:

By: Donald Kennedy [2]

Title: Commissioner

Date: Dec. 28, 1978.

Effective date. This Memorandum of Understanding became
effective (DEC 28 1978).

Dated: _____

¹ Jon L. Arnalds

Secretary General.

² Donald Kennedy

Commissioner.

NETHERLANDS

Defense: Prefinancing of NATO Projects

Agreement effected by exchange of letters

*Signed at The Hague and Heidelberg May 30 and July 24, 1975;
Entered into force July 24, 1975.*

HEADQUARTERS
UNITED STATES ARMY, EUROPE AND SEVENTH ARMY
OFFICE OF THE ENGINEER
APO 09403

AEAEN-CN

MINISTRY OF DEFENSE
THE HAGUE, NETHERLANDS

30 MAY 1975

DEAR SIR,

This letter responds to your letter, 451.258/A, dtd 20 February 1975, [1] concerning Infrastructure/Recoulement Arrangement and your message, JD Number 451.258/S, dated 201630Z May 75.

This headquarters agrees to the procedures of exchange of letters to put in effect the attached agreement which is essentially the draft agreement in our letter to you of 7 November 1974 [1] with slight corrections (which are underlined).

This letter constitutes our official acceptance of the attached agreement.

We sincerely regret that the response to you was delayed which was caused by additional review and administrative requirements.

Sincerely,

JOSEPH S C SMITH
Joseph S. C. Smith

*Colonel, CE
Chief, Constr Prog Div*

1 Inclosure
as stated (2 copies)

1 Not printed.

20 May 1975

ADMINISTRATIVE ARRANGEMENTS PERTAINING TO PRE-FINANCED NATO COMMON INFRASTRUCTURE PROJECTS

These arrangements set forth the procedure that will apply to NATO Infrastructure Projects that are prefinanced by the U.S. and to the recoupment from NATO for sums expended by the U.S. on such projects.

ARTICLE I

Projects That May Be Prefinanced

Projects that the United States may desire to prefinance due to urgent military considerations are:

- A. Projects that are under study by the United States, or a NATO military command, the eligibility of which for NATO common funding has not yet been established.
- B. Projects eligible for NATO common funding being considered by NATO Military Commands for inclusion in a future Infrastructure Slice.
- C. In exceptional cases, projects programmed in an approved NATO Infrastructure Slice.

ARTICLE II

Prefinancing Procedures

- A. The Ministry of Defense of the Netherlands (MOD), upon the request of the United States, will prepare and submit a prefinancing statement to the NATO Payments and Progress Committee (hereinafter referred to as the Committee). The request will contain a description of the project, its military purpose and urgency, and a statement of intent to prefinance the project with United States' funds and to recoup these funds when the project has been authorized under Committee budget control procedures. The statement will also address the subject of NATO International Competitive Bidding (ICB), requesting either an exemption from, or an acceleration in, or normal ICB procedures, as appropriate.

Technical data accompanying the request will conform with the requirements that are set forth in NATO Infrastructure Committee Document AC/4-D/1977 and P&P Committee Document AC/4 (PP)N/2730 (Revised).

- B. The MOD will prepare and distribute the prefinancing statement to the Committee through its NATO representative under the terms specified in Committee Document AC/4(PP)D/8364 (Revised).
- C. The U.S. may submit a notice of intent to prefinance a project through its delegation to NATO in accordance with the procedures set forth in AC/4-D/1977. Normally, U.S. action of this nature will be taken only when the MOD has for one reason or another

taken no action upon a request of the United States of the nature mentioned in subparagraph A above, within a period of 45 days from the date that the U.S. requested the MOD to prepare and submit a prefinancing statement to the Committee, or where, after coordination with the MOD, the U.S. determines that urgency precludes the use of procedures cited in ARTICLE II, A., and B.

ARTICLE III

Execution of Prefinanced Projects

- A. Projects will be designed, advertised, awarded, and constructed in accordance with the arrangements mutually agreed upon in exchange of letters between MOD and U.S. (or its delegated agency, normally U.S. Army Engineer Division, Europe (EUD). No contract will be awarded until Committee has noted the prefinancing statement and the U.S. notifies the MOD that the necessary funds have been committed to the project.
- B. Once a contract has been awarded by the MOD, the U.S. will, on request, place at the disposal of the MOD the funds necessary for the execution of the works. This obligation terminates when authorization to commit funds is obtained from the Payments and Progress Committee.

ARTICLE IV

NATO Authorization and Recoupmment

- A. The MOD (or U.S. if constructed directly by U.S.) will prepare and forward recoupmment cost estimates for prefinanced projects of the nature mentioned in ARTICLE I A, B and C above within 45 days subsequent to the time that the project is first listed in a Recommended Slice.
- B. The MOD will after coordination with the U.S. process the cost estimates in accordance with its national regulations and will forward them to the NATO International Staff for screening and recommendation. The MOD will advise the appropriate representatives of the United States if and when delays in excesses of 60 days after coordination with the U.S. has been finalized are encountered in the coordination, processing, and forwarding of cost estimates.
- C. The U.S., upon NATO P&P Committee project authorization (which includes NAE), will forward a request to the MOD for reimbursement, as authorized by the Committee, of funds that have been expended, or that are expected to be expended by the United States in the prefinancing of a project prior to the date of the assumption of financial responsibility by the MOD. The MOD will reimburse the United States for funds so expended, including NAE, payable to the Treasurer of the United States, within 30 days after its receipt of the U.S. request. The U.S. request will contain a guarantee that sums paid to the U.S. by MOD for

TIAS 9369

portions of projects that are subsequently disapproved by the NATO Board of Auditors as being ineligible for NATO common funding, will be refunded to MOD.

- D. Fees for projects that are supervised and executed by MOD on the basis of a service fee schedule, are to be negotiated. The MOD will supervise execution of authorized projects within percentage for National Administrative Expenses set forth in C-M(58) 116. Where C-M(58) 116 does not provide for NAE, or where all or part of the project is not approved by NATO, the fees due to expenses will be subject to case-by-case agreement.

ARTICLE V

Real Estate and Local Utilities

The MOD will, to the extent possible, provide land and local utilities that may be required for U.S. prefinanced Infrastructure projects. When budgetary restrictions or constraints prevent the MOD from assuming its normal obligations for NATO Infrastructure projects at the time of prefinancing, the U.S. may agree to advance U.S. funds for these normal host nation costs on the condition that the MOD agrees to reimburse it for such costs, concurrently with other prefinanced costs, upon final Committee authorization of the prefinanced projects in question. These costs, as applicable, will be separately identified in the recoupment request mentioned in Article IV above.

ARTICLE VI

NATO Joint Formal Acceptance Inspection (JFAI) and Audit

- A. When a project is completed, final Committee authorization thereof is obtained, and beneficial occupancy secured, the MOD will advise the NATO International Staff through their delegation to NATO that the project is ready for NATO JFAI as set forth in NATO Infrastructure Committee Document AC/4-D/2074 (Revised). In cases in which project completion precedes Committee authorization, request for the NATO JFAI will be initiated at the time of Committee approval.
- B. When the Committee has accepted the prefinanced facilities, the MOD will request an audit of cost records by the NATO Board of Auditors. If constructed directly by U.S. Forces the U.S. Forces will maintain all fiscal records concerned with the execution of the project for inspection by the NATO Board of Auditors until the final audit report has been completed. The MOD will furnish the U.S. copies of all correspondence, the interim findings of the NATO Board of Auditors so that the U.S. may have whatever evidence they may contain, for use in a possible U.S. nonconcurrence in audit findings.

In cases in which recouped amounts exceed amounts approved by

the NATO Board of Auditors, the U.S. will reimburse the MOD in a sum which represents the difference between the amount recouped under procedures in Article IV above and the amount approved by the Board of Auditors findings. In cases where the Board of Auditors findings recommend amounts in excess of Committee authorization, the MOD will submit a request for additional funds to the Committee for authorization.

The procedures set forth in ARTICLE IV above will apply to requests for additional reimbursement.

ARTICLE VII

Duration

- A. These arrangements shall come into force upon formal acceptance by both parties and shall continue in force until one year after the receipt by either party of written notice of the intention of the other party to terminate the Agreement, it being understood that projects initiated under the force of these arrangements, will continue to be implemented in accordance with the provisions thereof.
- B. The two parties shall, upon the request of either of them, consult regarding any matter that related to the application or amendment of these arrangements. The arrangements may be revised at any time by mutual agreement upon the request of either party.

MINISTERIE VAN DEFENSIE

DIRECTIE JURIDISCHE ZAKEN

afdeling Wetgeving en
Publiekrecht

Men wordt verzocht bij het antwoord datum en
nummer van deze brief nauwkeurig te vermelden

Aan

*United States Army Europe
Office of the Engineer
Attn: Col. Joseph S. C. Smith
H.Q. U.S.A.R.E.U.R.
Heidelberg*

uw kenmerk

uw brief van

ons nummer

451.258/C

's-GRAVENHAGE, 24 Juli 1975

onderwerp

*Infrastructure Prefinance
and Recoulement Arrangement.*

With reference to your letter AEAEN-CN, dated 30 May 1975,
I herewith confirm our official acceptance of the Infrastructure Pre-

financing and Recoupment Arrangement, as attached to your letter mentioned above.

As the arrangement should come into force with this exchange of letters, it is understood to be effective as from this day. Article VII has been corrected accordingly.

FOR THE MINISTER OF DEFENCE,
THE HEAD OF THE DEPARTMENT OF
LEGISLATION AND PUBLIC LAW,

J DEMMIMK

EGYPT

National Energy Control Center

Agreement amending the Agreement of September 30, 1976.

Signed at Cairo June 1, 1978;

Entered into force June 1, 1978.

A.I.D. Loan No. 263-K-037 (A & B)

**FIRST AMENDMENT
TO THE
LOAN AGREEMENT
AMONG
THE UNITED STATES OF AMERICA
THE
ARAB REPUBLIC OF EGYPT
AND THE
EGYPTIAN ELECTRICITY AUTHORITY
FOR THE
NATIONAL ENERGY CONTROL CENTER**

Dated: JUNE 1, 1978

First Amendment to Loan Agreement dated the 30th day of September 1976^[1] among the ARAB REPUBLIC OF EGYPT ("Borrower"), the EGYPTIAN ELECTRICITY AUTHORITY ("EEA") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

SECTION 1. The Loan Agreement is amended as follows:

a. Section 1.01 is deleted and the following substituted therefor:

SECTION 1.01. The Loan. A.I.D. agrees to lend to the Borrower pursuant to the Foreign Assistance Act of 1961, as amended,^[2] an amount not to exceed Forty-One Million Dollars (\$41,000,000) to assist in financing the United States dollar costs of goods and services required to carry out the project referred to in Section 1.02 ("Project"). The amount loaned hereunder shall be deemed to consist of (i) an amount not to exceed Twenty-Four Million United States Dollars (\$24,000,000) ("Loan Part A") and (ii) an amount not to exceed Seventeen Million United States Dollars (\$17,000,000) ("Loan Part B"). Loan Part A and Loan Part B are herein-after collectively referred to as the "Loan". The aggregate amount of disbursements under the Loan is hereinafter referred to as "Principal".

b. Section 2.01 is deleted and the following substituted therefor:

SECTION 2.01. Interest. (a) The Borrower shall pay to A.I.D. interest as follows:

(1) At the rate of two percent (2%) per annum on the outstanding balance of principal of Loan Part A and on any interest thereon due and unpaid during the ten (10) year period immediately following the first disbursement under Loan Part A; thereafter at the rate of three percent (3%) per annum on the outstanding balance of principal of Loan Part A and on any interest thereon due and unpaid.

(2) At the rate of two percent (2%) per annum on the outstanding balance of principal of Loan Part B and on any interest thereon due and unpaid during the ten (10) year period immediately following the first disbursement under Loan Part B; thereafter at the rate of three percent (3%) per annum on the outstanding balance of principal of Loan Part B and on any interest thereon due and unpaid.

(b) Interest on Loan Part A and on Loan Part B shall be due and payable semiannually, commencing with respect to each

¹ TIAS 8764; 28 UST 8419.

² 75 Stat. 424; 22 U.S.C. § 2151 note.

such Part on a date to be specified by A.I.D. but in no event later than six months after the date of the first disbursement thereunder.

(c) Interest on the outstanding balance shall accrue from the date of each respective disbursement (as such date is defined in Section 6.03 under the Loan) and shall be computed on the basis of a 365-day year.

- c. Section 2.02 is deleted and the following substituted therefor:

SECTION 2.02. Repayment. (a) The Borrower shall repay to A.I.D. the principal of Loan Part A within forty (40) years from the date of the first disbursement for said Part in sixty-one (61) approximately equal semiannual installments for said Part.

(b) The Borrower shall repay to A.I.D. the Principal of Loan Part B within forty (40) years from the date of first disbursement for said Part in sixty-one (61) approximately equal semiannual installments for said Part.

(c) The first installment of Principal shall be payable nine and one-half (9½) years after the date on which the first interest payment for each said Part is due in accordance with Section 2.01. A.I.D. shall provide the Borrower with amortization schedules in accordance with this section after the final disbursements under Loan Part A and Loan Part B, respectively.

- d. Section 2.03 is deleted and the following substituted therefor:

SECTION 2.03. Application, Currency, and Place of Payment.

All payments of interest and Principal hereunder by Borrower shall be made in United States dollars and shall be applied first to the payment of any accrued interest on Loan Part A; next to the payment of any accrued interest on Loan Part B; next to the repayment of Principal due and payable on Loan Part A; and finally, to the repayment of the Principal due and payable on Loan Part B. Except as A.I.D. may otherwise specify in writing, all payments shall be made to the Controller, Agency for International Development, Washington, D.C., 20523, U.S.A. and shall be deemed to have been paid when received by the Office of the Controller.

- e. Section 2.04 is deleted and the following substituted therefor:

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 first to the installments of Principal of Loan Part A in the inverse order of their maturity and next to the installments

of Principal of Loan Part B in the inverse order of their maturity.

- f. Section 4.04(b) is amended by deleting "3.02(b)" and substituting therefor "3.01(g)".
- g. Section 6.04 is deleted and the following substituted therefor:

SECTION 6.04. 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 6.02, or amendment thereto shall be issued in response to requests received by A.I.D. after eighty (80) months, and no disbursement shall be made against documentation received by A.I.D. or any bank described in Section 6.01 after ninety-two (92) months, from the date Borrower satisfies the conditions precedent under Article III of this Agreement.

SECTION 2. Conditions Precedent to Disbursement.

a. Prior to any disbursement or to the issuance of any letter of commitment or other authorization of disbursement under Loan Part B 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) Evidence that the Reloan Agreement required by Section 2.06 of the Loan Agreement has been amended to correspond to the dollar amount made available by this Loan Agreement Amendment;
- (b) A legal opinion or opinions of the Minister of Justice or other legal counsel satisfactory to A.I.D. that this Loan Agreement Amendment and the corresponding Reloan Agreement Amendment have been duly authorized and/or ratified by and executed on behalf of the Borrower and EEA and that they constitute valid and legally binding obligations of the Borrower and EEA in accordance with their terms.

b. **Terminal Date for Meeting Conditions Precedent.** If all the conditions specified in this Section 2 shall not have been met within ninety (90) days after the date of this Loan Agreement Amendment or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Loan Agreement Amendment by giving written notice to the Borrower.

SECTION 3. 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 2 have been met.

SECTION 4. This Loan Agreement Amendment shall enter into force when signed by all parties hereto.

SECTION 5. Except as specifically amended hereby, the Loan Agreement dated September 30, 1976 among the Borrower, EEA and A.I.D. shall remain in full force and effect.

IN WITNESS WHEREOF, Borrower, EEA and the United States of America, each acting through its respective duly authorized representative, have caused this Loan Agreement Amendment to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT

UNITED STATES OF AMERICA

By: HAMED EL SAYEH

By: H. FREEMAN MATTHEWS

Name: Dr. Hamed El Sayeh

Name: H. Freeman Matthews

Title: *Minister of Economy and
Economic Cooperation*

Title: *Charge d'Affaires a.i.*

EGYPTIAN ELECTRICITY AUTHORITY

By: K. NABIH

Name: Eng. Kamal Nabih

Title: *Deputy Director*

ISRAEL
Agricultural Commodities

*Agreement signed at Washington January 16, 1979;
Entered into force January 16, 1979.*

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

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:

¹ TIAS 7978; 25 UST 3140.

Part II - PARTICULAR PROVISIONS**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)
Wheat/Wheat Flour (grain basis)	1979	40,000	\$5.4

Item II. Payment Terms:**Dollar Credit**

1. Initial Payment - 5 percent
2. Currency Use Payment - 10 percent for Section 104(a) purposes
3. Number of Installment Payments - 19
4. Amount of Each Installment Payment - approximately equal annual amounts
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. Fiscal Year)	<u>Usual Marketing Requirements</u>
Wheat/Wheat Flour (grain equivalent basis)	1979	335,000 MT

Item IV. Export Limitations

- A. The export limitation period shall be United States Fiscal Year 1979 or any subsequent United States Fiscal Year during which commodities financed under this Agreement are being imported or utilized.
- B. For the purposes of Part I, Article III A(4) of the Agreement, the commodities which may not be exported are for wheat/wheat flour--wheat, wheat flour, rolled wheat, semolina, farina, 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. Fiscal Year 1979

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.

Item VII. Other

- A. The Government of Israel will make its best efforts to ensure that agricultural commodities provided under this Title I Agreement are restricted to use within the geographic areas which were subject to State of Israel administration prior to June 5, 1967.
- B. The local currency proceeds generated from the sale of the Title I commodities intended for program uses under Item V and Item VI of the Agreement shall be restricted to use within the geographic areas which were subject to State of Israel administration prior to June 5, 1967.

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

DONE at Washington, in duplicate, this sixteenth day of January, 1979.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

Harold H. Saunders [1]

FOR THE GOVERNMENT OF
ISRAEL:

Ephraim Evron [2]
N.Y.

¹ Harold H. Saunders.

² Ephraim Evron.

PAKISTAN

Agricultural Commodities

*Agreement signed at Islamabad January 24, 1979;
Entered into force January 24, 1979.
With minutes.*

(2903)

TIAS 9372

**AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE
GOVERNMENT OF PAKISTAN
FOR THE SALES OF AGRICULTURAL COMMODITIES UNDER
THE PUBLIC LAW 480 TITLE I^[1] PROGRAM**

The Government of the United States of America and the Government of Pakistan have agreed 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 on November 23, 1974^[2] together with the following Part II:

PART II - PARTICULAR PROVISIONS

Item I. Commodity Table:

Commodity	Supply Period (U. S. Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions)
Wheat/Wheat Flour (Grain Basis)	1979	250,000	\$ 34.3
Soybean/ Cottonseed Oil	1979	10,000	\$ 5.7
TOTAL:			\$ 40.0

Item II. Payment Terms: (Convertible Local Currency Credit)

1. Initial Payment - 5 percent
2. Currency Use Payment - None
3. Number of Instalment Payments - 31
4. Amount of each instalment payment - Approximately equal annual amounts
5. Due Date of First Instalment Payment - Ten (10) years after date of last delivery of commodities in each calendar year

¹ 68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

² TIAS 7971; 25 UST 3090.

6. Initial Interest Rate - 2 percent

7. Continuing Interest Rate - 3 percent

Item III. Usual Marketing Table:

Commodity	Import Period (U.S. Fiscal Year)	Usual Marketing Requirements (Metric Tons)
Wheat/Wheat Flour (Grain equivalent basis)	1979	100,000
Edible Vegetable Oil and/or oil-bearing seeds (Oil equivalent basis)	1979	145,000 (Of which at least 45,000 shall be from the U.S.A)

Item IV. Export Limitations:

A. The export limitation period shall be U.S. fiscal year 1979 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 A (4) of the Agreement the commodities which may not be exported are: for wheat/wheat flour — wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same product under a different name); and 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 vegetable oil or oil bearing seeds from which these oils are produced.

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 Pakistan agrees to:

1. Price Policy - Establish and maintain a procurement price of at least 45 rupees per maund as an incentive to expand wheat

production. The increase in the procurement price is to enhance the domestic production of wheat by guaranteeing an adequate incentive price to producers. The Benchmarks are: (a) Government of Pakistan announces the procurement price in advance of the 1978 planting season for wheat and maintains a price of at least this level throughout the year, (b) GOP will make adequate funding available to procure wheat throughout the year, (c) to review procurement procedures to assure adequate facilities to handle a large wheat crop, and (d) to establish and follow a schedule that will provide the additional measures necessary to implement the support program in the event of a large procurement as occurred in 1976.

2. Private Grain Trade - Remove Federal and Provincial restrictions on movement, buying and selling of wheat within Pakistan. The Benchmark is: GOP will announce and maintain the removal of all restrictions that preclude farmers and private trade from the free movement, buying, and selling of grain in the country. In the event emergency conditions warrant, such as adverse weather conditions or force majeure leading to unexpectedly low production, the GOP may decide to impose restrictions, taking into account the GOP commitment to ensure adequate incentives to farmers.

3. Ration Shop System - Continue to eliminate unauthorized ration cards and not to increase overall ration shop distributions. The Benchmarks are: (a) reduce number of ration cards, (b) not increase the total quantity of food commodities distributed through ration shops.

4. Edible Oil Strategy - Fund and begin implementation of approved Pakistan PC-1 (Project Document) for the pilot project on sunflower, safflower, and soybean production. The Benchmarks are: (a) GOP will provide adequate funding to assure spring planting of these oilseeds and (b) the GOP will carry out the work schedule and fund activities as outlined in the PC-1.

5. Wheat Seed Importation and Distribution - Complete the importation and distribution of suitable imported and domestic seed for the fall 1978 planting.

6. Fertilizer Supply and Distribution - Distribute sufficient fertilizer at reasonable prices to meet farmers' demand for the crop to be sown in the fall of 1978. Also GOP will prepare detailed plans for the importation, production, and distribution of adequate levels of fertilizer for fall 1979 crop. This will be prepared and submitted to the U.S. Country Team by December 1978. The Benchmarks are:

(a) performance on the distribution of all available fertilizer at reasonable prices to farmers, and (b) the preparation and submission of a plan for the importation, production, and distribution of fertilizer.

Item VI. Economic Development Purposes for which Proceeds Accruing to the 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
- Water Resources
- Population Planning

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.

DONE at Islamabad, in duplicate, this 24th day of January 1979.

FOR THE GOVERNMENT OF PAKISTAN

[SEAL]

By:

Aftab Ahmad Khan

Name: Aftab Ahmad Khan

Title: Secretary, Economic Affairs Division

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

[SEAL]

By:

Arthur W. Hummel Jr.

Name: Arthur W. Hummel, Jr.

Title: Ambassador of the United States
of America

Minutes of the Meetings held December 24, 1978
and January 2, 1979 regarding the Fiscal Year 1979
P. L. 480 Title I Agreement of January 24, 1979

The following subjects were discussed:

1. Shortage of Wheat and Edible Oil

The United States Government Representatives advised the Government of Pakistan Representatives that the U.S. Government is faced with severe P. L. 480 budget restraints and higher prices which have limited the quantity of commodities (wheat and vegetable oil) that can be provided under the P. L. 480 Title I Program for FY 1979.

2. Export Market Value Limitation

The U.S. Government Representatives called particular attention to Article I (E) 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 covered in Part II of the Agreement, the quantity to be financed under the Agreement will be less than the approximate maximum quantity set forth in Part II. Should commodity prices decrease, however, the quantity of commodity to be financed may be limited to that specified in Part II.

3. Usual Marketing Requirements

The U.S. Government Representatives noted that the UMR for wheat/wheat flour (grain equivalent) in U.S. FY 1979 (Part II, Item III of the Agreement) was 100,000 MT's and for vegetable oil 145,000 MT's. At least 45,000 MT's of the latter shall be imported from the U.S. In this connection the U.S. Government Representatives pointed out that they anticipate a substantial increase in the wheat/wheat flour UMR in future Title I/Title III programs which will more closely reflect the historical average 5 year average of commercial imports. The GCP representative expressed concern that if the 1978/79 wheat crop (harvested in the spring of 1979) is abundant, the UMR based on

the previous 5 years commercial imports (necessitated by unusually low production in some years) would not be feasible or desirable. The GOP representative also expressed the hope that the UMR in future years will be formulated on the same pattern as in the past.

4. Recent Changes in P. L. 480 Legislation

The U.S. Government Representatives advised the Government of Pakistan Representatives that pursuant to new legislative requirements:

- (a) Purchase Authorizations under the Agreement will be issued only after the Secretary of Agriculture has determined that: (i) adequate storage facilities are available in the recipient country at the time of exportation to prevent the spoilage or waste of the commodity and (ii) distribution of the commodity in the recipient country will not result in a substantial disincentive to domestic production.
- (b) Purchases of food commodities under the agreement must be made on the basis of invitations for bid (IFB) publicly advertised in the United States and on the basis of bid offerings which must conform to the IFB. Bid offering must be received and publicly opened in the United States. All awards under IFB's must be consistent with open, competitive, and responsive bid procedures.
- (c) The terms of all IFB's (including IFB's for ocean freight) must be approved by the General Sales Manager/USDA prior to issuance.
- (d) Commissions, fees or other payments to any selling agent are prohibited in any purchase of food commodities under the Agreement.
- (e) If the Government of Pakistan nominates a purchasing agent and/or shipping agent to procure commodities or arrange ocean transportation under the agreement the Government of Pakistan must notify the General Sales Manager/USDA in writing of such nomination and provide along with the notification a copy of the

proposed agency agreement. All purchasing and shipping agents must be approved by the General Sales Manager's office in accordance with new regulatory standards designed to eliminate certain potential conflicts of interest.

5. Coordination with Pakistan Embassy/Washington

The Government of Pakistan Representatives assured the U.S. Government Representatives that arrangements have been made by appropriate Government of Pakistan authorities to relay to its Washington Embassy all instructions, information and authority necessary to enable timely implementation of the Agreement, including (1) commodity specification (2) contracting and delivery periods (3) names and addresses of U.S. and foreign banks handling transactions (letters of credit for commodity and freight) (4) authority to request and sign purchase authorizations and other necessary documents (5) complete instructions/information/authority regarding agreements for purchasing commodities and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and (6) instructions to contact Program Operations Division, Office of the General Sales Manager, USDA regarding the foregoing.

6. Timely Opening of Letters of Credit

The U.S. Government Representatives informed the Government of Pakistan Representatives that commodity suppliers are refusing to load vessels when acceptable letters of credit for both commodity and freight supplier are not available at time of loading. This has resulted in costly claims by vessel owners for demurrage and/or detention claims and carrying charges by commodity suppliers. Delays in opening letters of credit and settlement of final 10% of freight will also result in higher commodity prices and freight rates.

With particular regard to ocean freight the Government of Pakistan Representatives were advised that letters of credit for 100% of the ocean freight charges must be opened in favor of the supplier of the ocean transportation prior to vessels presentation for loading. The Government of Pakistan representatives assured the U.S. Government Representatives that appropriate measures will be taken to ensure that operable letters of credit for both commodity and freight will be opened, and confirmed by designated U.S. banks, immediately after contracting under each PA is concluded, and before vessels arrive at loading ports.

7. Reporting Requirements

The U. S. Government Representatives called attention to the Government of Pakistan's responsibilities for the timely submission of reports. The reports required under the Agreement include compliance, arrival and shipping information (ADP sheets), self-help and financial use of sales proceeds matters. The U.S. Government Representatives mentioned that the monthly reports on wheat and edible oil requirements and supplies being submitted pursuant to earlier P. L. 480 agreed minutes are in addition to the standard quarterly P. L. 480 compliance reports presently being submitted to the U. S. Embassy's Agricultural Attaché.

8. Identification and Publicity

Pakistan 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(I) of P. L. 480 and of Article III, Paragraph I 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) Full press coverage, including photographs where possible, in national languages as well as in English, will be given, (b) issuances of Purchase Authorizations, (c) each major off-loading commodities at Pakistan ports and (d) shipments of substantial quantities of commodities from main godowns at port to specific Division-level godowns.
- (b) To the extent practicable, bags and containers used in transporting the commodities within Pakistan will be marked as mutually agreed to show that the commodities were provided by the U. S. on a concessional basis.

9. Self-Help Measures and Use of Proceeds

Recent legislation affecting Section 106(b) and 109(a) of P. L. 480 requires (1) specific emphasis on implementation of self-help measures so as to contribute directly to development programs progressively in poor rural areas and to enable the poor to participate actively in increasing agricultural production through

small farm agriculture and (2) use of proceeds for purposes which directly improve the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country. These new requirements are reflected in Item V and VI of Part II of the Agreement.

10. Periodic Meetings

In order to keep better informed on progress in carrying out Government of Pakistan policies on wheat and edible oil stated above, the U.S. Government and Pakistan Representatives agreed that periodic meetings would be desirable. The format, timing, and level of participation will be worked out by both parties.

11. Self-Help Ration Shop System

In connection with the Self-Help measure related to the Ration Shop System (Item V B. 3) the U.S. Representatives informed the Pakistan Representatives that Benchmark (b) is interpreted as follows: The Government of Pakistan agrees that offtake for the 1978/79 crop year will not exceed 3.277 million MT, an increase of approximately 12% over the 1977/78 crop year. It is understood that offtake in the 1979/80 crop year will not exceed 3.277 million MT's.

12. Provincial Endorsement

The Pakistan Representatives informed the U.S. Representatives that the Provincial Governments were fully aware of and endorsed the self-help provisions of the Title I Agreement.

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: Arthur W. Hummel, Jr.
Name: Arthur W. Hummel, Jr.
Title: Ambassador of the United
States of America

JORDAN
Agricultural Commodities

*Agreement signed at Amman January 17, 1979;
Entered into force January 17, 1979.
With minutes of negotiation.*

AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF JORDAN
FOR SALES OF AGRICULTURAL COMMODITIES
Under public law 480, TITLE I^[1] PROGRAM

The Government of the United States of America and the Government of Jordan 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 November 27, 1974,^[2] together with the following Part II:

¹ 68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

² TIAS 7995; 25 UST 3438.

PART II - PARTICULAR PROVISIONS**Item I. Commodity Table:**

Commodity	Supply Period (United States Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions)
Wheat/Wheat Flour (Grain Basis)	1979	40,000	\$ 5.4
		Total	\$ 5.4 =====

Item II. Payment Terms: (DOLLAR CREDIT)

- A. Initial Payment - 5 percent
- B. Currency Use Payment - 10 percent for Section 104 (a) purpose.
- C. Number of Installment Payments - 19.
- D. Amount of Each Installment Payment - Approximately equal annual installments.
- E. Due Date of First Installment Payment - Two years after date of last delivery of commodities in each calendar year.
- F. Initial Interest Rate - 2 percent.
- G. Continuing Interest Rate - 3 percent.

Item III. Usual Marketing Table:

Commodity	Import Period United States Fiscal Year	Usual Marketing Requirements
Wheat/Wheat Flour (on a Grain Equivalent Basis)	1979	76,600 Metric tons

Item IV. Export Limitations

A. The export limitation period shall be United States Fiscal Year 1979 or any subsequent United States Fiscal Year during which commodities financed under this Agreement are being imported or utilized.

B. For the purposes of Part I, Article III A (4) of the agreement, the commodities which may not be exported are: for wheat/wheat flour---wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same product under a different name), except as provided in C below.

C. Permissible Export(s)

Commodity	Quantity	Period During Which Such Exports Are Permitted
Wheat including durum wheat, or wheat products (including semolina or pasta products)	Amounts traditionally supplied to northern portions of Saudi Arabia and adjacent areas.	For United States Fiscal Year 1979 and any subsequent U.S. Fiscal Year during which abovementioned commodities are being imported or utilized.

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. In accordance with the purpose of PL 480 Title I programs the following self-help measures are aimed at agricultural and social development activities.
 - 1- Increase availability of credit to small farmers through the allocation of a greater share of available credit funds from institutional sources to small farmers.
 - 2- Increase the capability of Jordan's agricultural research institutions in applied program identification and problems solving in order to respond (A) to the needs of small farmers and (B) to relax technological constraints on greater, more efficient food grain and forage production.
 - 3- Mount an effective and coordinated policy of research and extension, especially in provision of such services to Jordan Valley.

- 4- Up-grade the skills of the existing and newly entering labor force and to bring more women into that force. In conjunction with this, the Government of Jordan will make increasedefforts in the targeting of disadvantaged groups in order to provide them with services and the opportunity to improve their income generating capacity.
- 5- Construction of food storage facilities at terminal or central markets, at interior and assembly markets, and at secondary markets close to consumers, and to improve the marketing system for cereals by expanding storage and handling facilities throughout the country.

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 agriculture and economic development sectors which are set forth in the Government of Jordan's development plan.

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.

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 Amman, in duplicate this 17th day of January, 1979.

FOR THE GOVERNMENT OF THE FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA HASHEMITE KINGDOM OF JORDAN

Nicholas A. Velicotes Marwan S. Kasim

Nicholas A. Velicotes
U.S. Ambassador

Marwan S. Kasim
Minister of Supply

TIAS 9373

Date: January 17, 1979

MINUTES OF NEGOTIATION FOR AGREEMENT
FOR THE SALE OF AGRICULTURAL COMMODITIES
UNDER U.S. PUBLIC LAW-480

Representatives of the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan conducted negotiations beginning on January 10, 1979, in which the United States Government agreed to sell the Hashemite Kingdom of Jordan wheat/wheat flour valued at U.S. \$5.4 million under the provisions of U.S. Public Law 480. In the process of reviewing the provisions entered in the agreement, the following items of clarification and emphasis were brought to the attention of the Jordanian negotiators:

1. The \$5.4 million export market value of wheat mentioned in Part II of the agreement represents the maximum value for which purchase authorization may be issued, and against which the initial payment and/or currency use payment will be measured.
2. The figure of 40,000 m.t. of wheat shown in Part II of the draft agreement is an approximation based on current estimates of export market prices.

It is understood, however, that if export prices of wheat decline, the quantity of wheat sold under the agreement could not exceed the 40,000 m.t. specified in Part II of the agreement.

3. The U.S. negotiators informed the Government of Jordan of the new requirements governing the purchase of the commodity, ocean freight, and adequacy of storage facilities. The Government of Jordan agreed to adhere to these requirements which are detailed hereunder:

(A) Purchase authorization will be issued under the agreement only after the Government of Jordan (GOJ) provides USAID/J with the necessary information to enable the Secretary of Agriculture to determine that (1) adequate storage facilities are available in Jordan at the time of export so as to prevent the spoilage or waste of the wheat, and (2) the distribution of the wheat in Jordan will not result in a substantial disincentive to domestic production.

(B) Purchase of wheat under the agreement must be made on the basis of invitations for bid (IFB) publicly advertised in the United States and on the basis of a bid offering which must conform to the IFB. The bid offering must be received and publicly advertised in the United States and on the basis of a bid offering which must conform to

the IFB. The bid offering must be received and publicly opened in the United States. All awards under IFD's must be consistent with open, competitive, and responsive bid procedures.

(C) The terms of all IFB's (including IFB's for ocean freight) must be approved by the General Sales Management Office/USDA prior to issuance.

4. Commissions, fees or other payments to any selling agent are prohibited in any purchase of wheat under the agreement.

If the Government of Jordan nominates a purchasing agent and/or shipping agent to procure the wheat or arrange ocean transportation under the Agreement, the GOJ must notify the General Sales Manager/USDA in writing of such nomination and provide along with the notification a copy of the proposed agency agreement. All purchasing and shipping agents must be approved by the General Sales Manager's office in accordance with the new Regulatory Standards designed to eliminate certain potential conflicts of interest.

5. The U.S. negotiators informed the Government of Jordan that an assessment of Jordan's capability of receiving, storing and distributing the wheat is required in addition to the operational

information outlined below. It is essential that this information be developed prior to the completion of negotiations so that an operational reporting cable may be dispatched to AID/W at least 3 working days (72 hours) prior to the signing of the agreement.

Information must include:

- a. type and grade of wheat to be purchased in accordance with official U.S. standards;
- b. proposed contracting and delivery schedules;
- c. U.S. Embassy concurrence/comments on above schedules based on assessment of adequacy of Jordan's capability to receive, store, and distribute the wheat to prevent spoilage or waste;
- d. names and addresses of banks, both U.S. and Jordanian, which will be handling financing operations;
- e. assurance that appropriate GOJ authorities are prepared to make immediate transfer of funds to cover ocean freight costs and any initial payment (IP) requirements related to contracts to be concluded pursuant to the agreement.

As a general rule, purchase authorization will not be issued by AID/Washington until the U.S. Department of Agriculture (USDA) has received the above information.

6. The Government of Jordan should be aware that while it is the intention and expectation of the U.S. Government to deliver the commodities during U.S. Fiscal Year 1979, it is possible the limitations on PL 480 expenditures could necessitate delivery of some commodities in FY 1980 in accordance with Article I-B.2 in Part I of this agreement.

7. The Government of Jordan assures the U.S. negotiators that the Jordan Ministry of Supply will relay to the Jordanian Embassy in Washington all instructions, information and authority necessary to enable timely implementation of the agreement, including a) wheat specifications, b) contracting and delivery periods, c) names and addresses of U.S. and Jordanian banks handling transactions (letters of credit for wheat and freight), d) authority to request and sign purchase authorizations and other necessary documents, e) complete instructions for purchasing wheat and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and f) instructions to contact Program Operations Division, Office of the General Sales Manager, US D.A. regarding the foregoing.

8. The Government of Jordan also assures the U.S. negotiators that appropriate measures will be taken to ensure that operable letters of credit for both commodity and ocean freight charges will be opened, and confirmed by designated U.S. Bank immediately.

after contracting under each Purchase Authority (P.A.) is concluded and before vessels arrive at leading ports. The Government of Jordan further assures the U.S. negotiators that letter of Credit for 100 percent (total amount) of ocean freight charges will be opened in favor of the supplier of the ocean transportation prior to vessel's presentation for loading. The Government of Jordan is aware that delays in opening acceptable letters of credit and in settling the final 10 percent of ocean freight charges will result in costly claims by vessel owners for demurrage and/or detention claims and carrying charges by commodity suppliers which will increase the final commodity prices and freight rates.

9. In addition, the Government of Jordan will need to designate persons or agencies to consult with USAID/Jordan with regard to (a) commodity arrival and off-loading information, (b) marking or identifying and publicizing arrivals, (c) usual marketing requirements and export limitation, (d) information on deposits of local currencies, (e) carrying out self-help measures, (f) reconciliation of accounts, including principal and interest payments, and (g) currency use payments.

10. The usual marketing requirement of 76,600 m.t. of wheat/wheat flour on a grain basis specified in Part II of the agreement is the minimum quantity to be imported into Jordan through normal commercial channels. This amount must be imported even though the full allotment of Title I Wheat is not utilized. Quantities imported from USSR, Peoples Republic of China, Eastern Europe (except Poland and Yugoslavia), Cuba, North Vietnam and North Korea, wheat imported under PL 480 or grants from U.S. or other sources cannot be counted toward U.M.R.

11. Should the U.S. Government authorize and finance deliveries of Title I commodities to extend beyond the supply period specified in Part II of the agreement, Jordan will be required (Article III-A-1) to maintain the UMR at the same rate again for the subsequent comparable period.

12. The proposed Title I wheat sales are provided for the purpose of meeting the requirements of Jordan and not to permit an increase in exports of the same or like commodities. Any export of the same or like commodities cannot be permitted unless specifically agreed to by the U.S. Government with

the exception of traditional exports to the northern parts of Saudi Arabia in accordance with item IV. C of Part II of the agreement.

13. Failure to comply with the provisions of Article III.A. of the Agreement or with any other requirement of the agreement, could result in withholding issuance of purchase authorizations. It further would be taken into account in consideration of new PL 480 agreements. If the violation involves prohibited exports, remedy may take the form of dollar payment to the U.S. Government to the extent of the value of the violation. Or alternatively, the U.S. could require the purchase and importation, on a commercial basis from the United States, an equivalent amount of such exports. These additional imports would be over and above the UMR.

14. As provided in the agreement, approximately fifty percent of the tonnage of wheat purchase under the agreement shall be shipped in privately-owned U.S. flag commercial vessels. USDA approval of all bookings and charters of U.S. and non-U.S. flag vessels must be obtained in advance of freight contract being finalized.

15. The U.S. Government will take the following conditions into consideration in determining the timing and terms and conditions of the

issuance of purchase authorizations: (a) availability of commodities, (b) crop years of USA and Jordan, (c) availability of ocean shipping space, (d) ability of Jordan to receive the commodity, (e) market implications and (f) the overall interest of the U.S. Government.

16. Extension of terminal contracting and delivery dates as a general rule are not made. If force majeure or other causes beyond the control of the buyer or seller prevent the completion of deliveries within the specified period, the USDA may consider a request for extension of the delivery period. Such a request should be in writing and supported by facts which establish justification for the extension.

17. The U.S. Government reserves the right to cancel the undelivered balance of purchase authorizations at any time that a commodity is determined no longer to be available for PL 480 programs, even if it is included in the commodity list in Part II of the sales agreement.

18. The Agreement provides that in addition to a 5% "initial payment", the Government of Jordan is required to pay another 10% to the U.S. Government when requested as a "currency use payment" (CUP).

In connection with these payments, the Government

of Jordan was advised that the 5% initial payment is a cash down payment that the Government of Jordan pays directly to supplier at the time of purchasing the wheat. Thus the U.S. Government finances 95% of the value of the wheat. The 10% currency use payment collected under the agreement is applied by the U.S. Government to installments due under the agreement, giving the effect of delaying any dollar repayment until all the CUP is applied. The CUP is applied first to payments of interest due under the grace period and then to principal and interest installments. As of installment due dates, full interest credit is given to currency use payments already made by Government of Jordan which have not yet been applied to cover installments.

19. The administration of Jordan dinars generated under the agreement will be in accordance with the provisions of Part I, Article II.F. of the agreement. In addition the Government of Jordan will furnish the U.S. Government through USAID/Jordan with statements and certification of the receipt and expenditure of the proceeds. Despite the seeming ambiguity between Part I, Article II.F. and Part II, Section VI of the agreement regarding the definition of "proceeds", the agreement requires that the Government must apply to the agriculture

and economic development purposes set forth in Part II of the agreement an amount not less than the Jordanian dinar equivalent of the U.S. Government disbursements in financing the commodities, excluding of course any ocean freight differential which may be paid by the U.S. Government as well as the currency use payments made by the Government of Jordan. The agreement does not require the establishment of a special account or prescribe any other specific accounting arrangements.

20. The Government of Jordan, however, will prepare an annual report showing the progress made in implementing the self-help measures described in Item V of Part II of the agreement. This report will be forwarded to USAID/Jordan on November 30 of each year. Although the report is prepared prior to the end of the year, it should cover achievements for the whole year to the extent possible.

21. The reports required by the provision of Part I Article III Section D of the agreement which relates to the usual marketing and resale, diversion and trans-shipment of PL 480 commodities will be submitted to USAID/Jordan on a timely basis and will be governed by USDA forms, procedures, and regulations.

22. In compliance with Part I Article III
(1) of the PL 480 Title I Agreement dated November
27, 1974, the Government of Jordan will take
appropriate measures through its telecommunication
media to identify the source of wheat and the terms
and conditions under which the U.S. Government is
providing this wheat to Jordan.

FOR THE GOVERNMENT OF THE FOR THE GOVERNMENT OF THE
HASHEMITE KINGDOM OF JORDAN UNITED STATES OF AMERICA

Marwan S. Kasim

Marwan S. Kasim
Minister of Supply

Christopher H. Russell

Christopher H. Russell
Director, USAID/Jordan

MEXICO

United States-Mexican Commission on Cultural Cooperation

Agreement amending the agreement of December 28, 1948 and August 30, 1949, as amended.

Effectuated by exchange of notes

Signed at México and Tlatelolco October 30, 1978 and January 23, 1979;

Entered into force January 23, 1979.

The American Ambassador to the Mexican Secretary for Foreign Relations

MEXICO, D.F.

Number 1867

OCTOBER 30, 1978

EXCELLENCY:

I have the honor to refer to the Final Statement of the Third Meeting of the Joint United States-Mexico Commission on Cultural Cooperation signed in Mexico City, July 18, 1978.

In accordance with Article V, paragraph 3 of the referenced document, I propose that paragraph 2 of the Agreement between the United States of America and Mexico on Cultural Cooperation amending the Agreement of December 28, 1948 and August 30, 1949, effected by an exchange of notes signed at Washington June 15, 1972,^[1] be further amended to read: "The Commission shall meet at least once every two years, alternately in Mexico and in the United States of America."

In the event that your Excellency considers this proposed amendment acceptable, it shall be agreed that the note signed at Washington on June 15, 1972, modified and complemented by the present note and your reply thereto, will constitute the agreement on Cultural Cooperation in force between the United Mexican States and the United States of America.

Please accept Excellency the assurances of my highest and most distinguished consideration.

PATRICK LUCEY

¹ TIAS 2086, 7360; 63 Stat. 2842; 23 UST 925.

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D. F., a 23 de enero de 1979.

Señor Embajador:

301124 Tengo el honor de referirme a la atenta nota de Vuestra Excelencia número 1867 fechada el 17 de noviembre de 1978, cuyo texto vertido al español es el siguiente:

"Tengo el honor de referirme al Acta Final de la Tercera Reunión de la Comisión Mixta Estados Unidos-México sobre Cooperación Cultural, firmada en México, D. F., el 18 de julio de 1978.

De conformidad con el Artículo V, párrafo 3 del documento de referencia, propongo que el párrafo 2 del Acuerdo entre los Estados Unidos de América y México - sobre Cooperación Cultural que enmienda el Acuerdo - del 28 de diciembre de 1948 y del 30 de agosto de 1949, celebrado por Canje de Notas firmadas en Washington el 15 de junio de 1972, sea enmendado nuevamente para - leerse: "La Comisión debe reunirse una vez cada dos - años, cuando menos, alternadamente en México y en los Estados Unidos de América."

En caso de que Vuestra Excelencia considere que la enmienda propuesta es aceptable, quedará convenido que la nota firmada en Washington el 15 de junio de 1972, modificada y complementada por la presente nota y la respuesta de Vuestra Excelencia, constituye el Convenio so - bre Cooperación Cultural en vigor entre los Estados Uni - dos Mexicanos y los Estados Unidos de América.

* * * *

Excelentísimo Señor
Patrick Lucey,
Embajador de los Estados Unidos de América,
México, D. F.

En respuesta a la atenta nota de Vuestra Excelencia arriba transcrita, tengo el agrado de comunicarle que el Gobierno de México acepta los términos de la misma y, en consecuencia, conviene en que la nota 1867 de Vuestra Excelencia y la presente, constituyen un Acuerdo entre nuestros dos Gobiernos.

Aprovecho la oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta y distinguida consideración.

A handwritten signature in black ink, appearing to read "S. Rossel".

TRANSLATION

UNITED MEXICAN STATES
MINISTRY OF FOREIGN RELATIONS
MEXICO

Tlatelolco, D.F., January 23, 1979

No. 301124

Mr. Ambassador:

I have the honor to refer to Your Excellency's note No. 1867 of November 17, 1978, [¹] which, translated into Spanish, reads as follows:

(For the English language text, see p. 2932.)

In reply to Your Excellency's note transcribed above, I take pleasure in informing you that the Government of Mexico accepts its terms and therefore agrees to consider that Your Excellency's note No. 1867 and this note constitute an agreement between our two Governments.

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

S. Roel

His Excellency
Patrick Lucey,
Ambassador of the United
States of America,
Mexico, D.F.

¹ Should read "October 30, 1978."

TIAS 9374

JORDAN

Scheduled and Nonscheduled Air Services

Agreement amending the agreement of September 21, 1974, as amended, and amending and extending the agreement of March 14 and 16, 1977.

Effectuated by exchange of notes

*Signed at Washington January 10, 1979;
Entered into force January 10, 1979.*

The Secretary of State to the Jordanian Ambassador

JANUARY 10, 1979

EXCELLENCY:

I have the honor to refer to the Nonscheduled Air Services Agreement between the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan, with annexes, signed at Amman, September 21, 1974, and to the exchange of notes dated March 14 and 16, 1977,¹ concerning scheduled and non-scheduled air services and to propose that the Agreement and the exchange of notes be amended as follows:

1. The exchange of notes dated March 14 and 16, 1977 shall be extended through December 31, 1980, with the following sentence replacing the first sentence of paragraph 2 thereof:

“The Government of the United States of America grants to the Government of the Hashemite Kingdom of Jordan rights necessary for Royal Jordanian Airlines, in a joint operation with Syrian Arab Airlines, to operate between them four scheduled roundtrip flights per week between Damascus/Amman and New York and Houston.”

2. Annex B of the Nonscheduled Air Services Agreement between the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan, signed at Amman, September 21, 1974 shall be amended by adding:

¹ TIAS 7954, 8553; 25 UST 2911; 28 UST 2394.

"Public Charters" to section II. Prescribed Service Types.

3. Article 11 of the U.S.-Jordan Nonscheduled Air Services Agreement of September 21, 1974 shall be deleted and the following substituted:

"(A) Each Party shall allow prices for services to be established by each airline based upon commercial considerations in the marketplace, and intervention by the Parties shall be limited to (a) prevention of predatory or discriminatory prices or practices; (b) protection of consumers from prices that are unduly high or restrictive from the abuse of a dominant position; and (c) protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

"(B) Each Party may require the filing with its aeronautical authorities of prices or rates to be charged by designated airlines of the other Party. If it is dissatisfied with the prices or rates so filed, it shall so notify the other Party as soon as possible, and in any event within 30 days of receiving notification of the price or rate. The other Party may request consultations which shall be held as soon as possible, and in no event later than 30 days of the receipt of the request. If the matter cannot be resolved by consultation, the Party objecting to the price or rate may take appropriate action to prevent the use or charging of such price or rate, but only insofar as the price or rate applies to traffic originating in its territory.

"(C) A Party shall not regulate the prices or rates charged by charterers to the public for charter traffic originating in the territory of the other Party."

4. The provisions set forth in Article 11, as amended, of the Non-scheduled Air Services Agreement shall also be applicable to scheduled air services.

5. Neither Party shall unilaterally limit the volume, frequency, or the regularity of service or the aircraft type except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with Article 15 of the Convention on International Civil Aviation offered for signing at Chicago on December 7, 1944, [1] or except as otherwise provided in this note.

I have the further honor to propose that, if your Government accepts the foregoing understandings, this note and your reply to

¹ TIAS 1591, 6605, 6681; 61 Stat. 1184; 19 UST 7693; 20 UST 718.

that effect shall constitute an agreement between our two Governments which enters into force on the date of your reply.

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

For the Secretary of State

Julius L. Katz

His Excellency

ABDULLAH SALAH,

Ambassador of the Hashemite Kingdom of Jordan.

The Jordanian Ambassador to the Secretary of State

EMBASSY OF THE H. K. OF JORDAN
2319 WYOMING AVENUE, N. W.
WASHINGTON, D. C. 20008

January 10, 1979

Excellency,

I have the honour to refer to your letter of January 10, 1979 which reads as follows:

"I have the honor to refer to the Nonscheduled Air Services Agreement between the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan, with annexes, signed at Amman, September 21, 1974, and to the exchange of notes dated March 14 and 16, 1977, concerning scheduled and non-scheduled air services and to propose that the Agreement and the exchange of notes be amended as follows:

1. The exchange of notes dated March 14 and 16, 1977 shall be extended through December 31, 1980, with the following sentence replacing the first sentence of paragraph 2 thereof:

'The Government of the United States of America grants to the Government of the Hashemite Kingdom of Jordan rights necessary for Royal Jordanian Airlines, in a joint operation with Syrian Arab Airlines, to operate between them four scheduled roundtrip flights per week between Damascus/Amman and New York and Houston.'

2. Annex B of the Nonscheduled Air Service Agreement between the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan, signed at Amman, September 21, 1974 shall be amended by adding: "Public Charters" to Section II. Prescribed Service Types.

3. Article 11 of the U.S.-Jordan Nonscheduled Air Service Agreement of September 21, 1974 shall be deleted and the following substituted:

'(A) Each Party shall allow prices for services to be established by each airline based upon commercial considerations in the marketplace, and intervention by the Parties shall be limited to (a) prevention of predatory or discriminatory prices or practices; (b) protection of consumers from prices that are unduly high or restrictive from the abuse of a dominant position; and (c) protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

(B) Each Party may require the filing with its aeronautical authorities of prices or rates to be charged by designated airlines of the other Party. If it is dissatisfied with the prices or rates so filed, it shall so notify the other Party as soon as possible, and in any event within 30 days of receiving notification of the price or rate. The other Party may request consultations which shall be held as soon as possible, and in no event later than 30 days of the receipt of the request. If the matter cannot be resolved by consultation, the Party objecting to the price or rate may take appropriate action to prevent the use or charging of such price or rate, but only insofar as the price or rate applies to traffic originating in its territory.

(C) A Party shall not regulate the prices or rates charged by charterers to the public for charter traffic originating in the territory of the other Party.'

4. The provisions set forth in Article 11, as amended, of the Nonscheduled Air Services Agreement shall also be applicable to scheduled air services.

5. Neither Party shall unilaterally limit the volume, frequency, or the regularity of service or the aircraft type except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with Article 15 of the Convention on International Civil Aviation offered for signing at Chicago on December 7, 1944, or except as otherwise provided in this note.

I have the further honor to propose that, if your Government accepts the foregoing understandings, this note and your reply to that effect shall constitute an agreement between our two Governments which enters into force on the date of your reply."

On behalf of the Government of the Hashemite Kingdom of Jordan, I would like to convey to Your Excellency our acceptance of these understandings and our consent to have this agreement enter into force immediately.

Please accept, Excellency, the renewed assurances of my highest consideration.

Yours sincerely,

Abdullah Salah
Abdullah Salah
Ambassador

The Honorable
Cyrus Vance
The Secretary of State
Washington, D. C.

MULTILATERAL

Trade: Meat Imports

Agreement effected by exchange of notes between the United States of America and
Guatemala at Washington January 11 and 12, 1979;
Entered into force January 12, 1979;
Costa Rica at Washington January 11 and 15, 1979;
Entered into force January 15, 1979;
Mexico at Washington January 11 and 15, 1979;
Entered into force January 15, 1979;
Nicaragua at Washington January 11 and 16, 1979;
Entered into force January 16, 1979;
Panama at Washington January 11 and 17, 1979;
Entered into force January 17, 1979;
United Kingdom of Great Britain and Northern Ireland at
Washington January 11 and 30, 1979;
Entered into force January 30, 1979;
Honduras at Washington January 11 and 31, 1979;
Entered into force January 31, 1979;
New Zealand at Washington January 11 and February 9, 1979;
Entered into force February 9, 1979;
El Salvador at Washington January 11 and February 14, 1979;
Entered into force February 14, 1979;
Haiti at Washington January 11 and February 15, 1979;
Entered into force February 15, 1979;
Dominican Republic at Washington January 11 and March 9,
1979;
Entered into force March 9, 1979;
Australia at Washington January 11 and March 29, 1979;
Entered into force March 29, 1979;
Agreement effective January 1, 1979.

The Secretary of State to the Guatemalan Appointed Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Felipe Doroteo Monterroso Miranda,
Appointed Ambassador of Guatemala.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the "United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Guatemala 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 pursuant to the 1979 restraint program.

3. The Government of Guatemala shall limit the quantity of such meats exported from Guatemala as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 44.0 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 44.0 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Guatemala which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Guatemala unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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 those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Guatemala such increases or estimated shortfall as may be available shall be allocated to Guatemala in the proportion that 44.0 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

^[1] 81 Stat. 584; 21 U.S.C. § 601 note.

7. The Government of Guatemala 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 Guatemala permissible under the restraint program including allocation of any shortfall.

8. 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 Guatemala shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Guatemala.

9. (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 Guatemala 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 Guatemala shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Guatemala.

I have the honor to propose that, if the foregoing is acceptable to the Government of Guatemala, this note and 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 assurance of my highest
consideration.

For the Secretary of State:

Stephen W. Bosworth

The Guatemalan Appointed Ambassador to the Secretary of State

EMBASSY OF GUATEMALA

WASHINGTON, D.C.

No. 36
Clas. A.2
January 12, 1979

Excellency:

I have the honor to refer to your note of January 11, 1979 which reads as follows:

"Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purpose of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States upon such entry, or withdrawal from warehouse, for consumption).
2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Guatemala and the Government of the United States of America shall respectively undertake responsibilities

His Excellency
Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.

as set forth below for regulating exports to, and imports into, the United States pursuant to the 1979 restraint program.

3. The Government of Guatemala shall limit the quantity of such meats exported from Guatemala as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 44.0 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 44.0 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Guatemala which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meats from Guatemala unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979

restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Guatemala such increases or estimated shortfall as may be available shall be allocated to Guatemala in the proportion that 44.0 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Guatemala 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 Guatemala permissible under the restraint program including allocation of any shortfall.

8. 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 Guatemala shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Guatemala.

9. (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 Guatemala 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 Guatemala shall provide to the Government of the United States of America shall respectively undertake responsibilities

31, 1979, ship-by-ship and port-by-port, based on actual loadings in Guatemala.

I have the honor to propose that, if the foregoing is acceptable to the Government of Guatemala, this note and 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.

For the Secretary of State:

Stephen W. Bosworth"

I have the honor to confirm that the foregoing is acceptable to the Government of Guatemala which agrees that your note together with this reply should form an agreement of the two Governments on this matter.

Accept, Sir, the renewed assurances of my highest consideration.



Doroteo Monterroso
Appointed Ambassador

CAO/mrs

The Secretary of State to the Costa Rican Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Jose Rafael Echeverria,

Ambassador of Costa Rica.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 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 pursuant to the 1979 restraint program.

3. The Government of Costa Rica shall limit the quantity of such meats exported from Costa Rica as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 68.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 68.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Costa Rica which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Costa Rica unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Costa Rica such increases or estimated shortfall as may be available shall be allocated to Costa Rica in the proportion that 68.6 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. 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.

8. 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 Costa Rica shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Costa Rica.

9. (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 Costa Rica 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 Costa Rica shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, 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 and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

The Costa Rican Ambassador to the Secretary of State

EMBAJADA DE COSTA RICA
WASHINGTON, D. C. 20008

No. 51.-

January 15, 1979

Dear Mr. Secretary:

I have the honor to acknowledge receipt of your Excellency's letter proposing the 1979 "Voluntary Restraint" Agreement on the importation of fresh chilled and frozen beef into the United States of America.

On behalf of my Government, I have the honor to accept your proposal of 68.6 million pounds of beef, as specified therein and to confirm that this reply constitutes an agreement between our two Government for 1979.

Accept, Sir, the assurance of my highest consideration.



José Rafael Echeverría
Ambassador

His Excellency
Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.

The Secretary of State to the Mexican Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Hugo B. Margain,

Ambassador of Mexico.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 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 regulating exports to, and imports into, the United States pursuant to the 1979 restraint program.

3. The Government of Mexico shall limit the quantity of such meats exported from Mexico as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 76.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 76.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Mexico which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Mexico unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Mexico such increases or estimated shortfall as may be available shall be allocated to Mexico in the proportion that 76.6 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. 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.

8. 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, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Mexico.

9. (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, 1979, 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 and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

✓

The Mexican Ambassador to the Secretary of State

0922

Washington, D.C.,
15 de enero de 1979.

Señor Secretario:

Tengo el honor de acusar recibo a Vuestra Excelencia de su atenta nota de fecha 11, de enero de 1979, cuya versión en español es la siguiente:

"Tengo el honor de referirme a las conversaciones sostenidas entre los representantes de nuestros dos Gobiernos y otros Gobiernos, relacionadas con las importaciones a Estados Unidos para consumo de las carnes descritas abajo en el párrafo 1, durante el año calendario de 1979. Con el entendimiento de que también se celebrarán acuerdos similares por el año calendario de 1979 con los Gobiernos de otros países que exportan cantidades considerables de carne a los Estados Unidos, tengo el honor de proponer el siguiente acuerdo entre nuestros dos Gobiernos:

Excelentísimo señor Cyrus R. Vance,
Secretario de Estado,
Washington, D.C.

1. Para los propósitos de este acuerdo, el término "tales carnes" significa carne fresca, refrigerada o congelada de ganado vacuno (Item 106.10 de la Tarifa Aduanal de los Estados Unidos), carne fresca, refrigerada o congelada de ganado cabrío y ovejuno, salvo corderos (Item 106.20 de la Tarifa Aduanal de los Estados Unidos), y carne que --si no fuera por el proceso a que se sometiera en zonas aduanales libres, territorios o sesiones de los Estados Unidos antes de su entrada, o que se retire de almacenes para consumo en territorio de los Estados Unidos-- caería dentro de las descripciones anteriores (y de los Items de la Tarifa Aduanal de los Estados Unidos) a su entrada, o retiro de almacén para consumo.

2. Este acuerdo, junto con acuerdos similares con otros países que exportan a los Estados Unidos cantidades considerables de tales carnes, constituirá

el programa de limitaciones de 1979. Con sujeción a lo dispuesto en el párrafo 6, la cantidad total permisible de importaciones de tales carnes a los Estados Unidos para consumo durante el año calendario de 1979, procedente de los países que forman parte del programa de limitaciones de 1979, será de 1,477.4 millones de libras y el Gobierno de México y el Gobierno de los Estados Unidos respectivamente asumirán las responsabilidades que abajo se detallan para regular sus exportaciones para los Estados Unidos y sus importaciones procedentes de México, de acuerdo con el programa de limitaciones de 1979.

3. El Gobierno de México deberá limitar la cantidad de tales carnes exportadas de México, como embarques directos, o amparadas por conocimientos directos de embarques a los Estados Unidos, de tal manera, que la cantidad de tales carnes que entre, o que se retire de almacenes,

para consumo en Territorio Aduanal de los Estados Unidos, durante el año calendario de 1979, no exceda de 76.6 millones de libras, o alguna cantidad mayor que resulte de ajustes que se hagan según el párrafo 6.

4. El Gobierno de los Estados Unidos puede expedir reglamentos limitando a 76.6 millones de libras, o la cantidad mayor que pueda resultar de ajustes según el párrafo 6, la cantidad de tales carnes de México que, durante el año calendario de 1979, pueda entrar, o ser retirada de almacenes, para consumo, ya sea que tales carnes hayan sido embarcadas directa o indirectamente siempre que (a) tales reglamentos no se usen para espaciar, dentro del año calendario de 1979, las entradas o retiros de almacén, para consumo, de tales carnes de México, a menos que se hayan hecho otros arreglos; y (b) tales reglamentos se hayan expedido después de

consultas según el párrafo 7. Se entiende que las estadísticas del Servicio Aduanal de los Estados Unidos sobre las entradas, o retiros de almacén, para consumo, se usarán para los sitios de este Acuerdo. Tales estadísticas no incluirán carnes a las que se haya negado la entrada por no llenar las normas apropiadas prescritas en la Ley Federal de Inspección de Carnes y sus enmiendas, y tales carnes no se considerarán como parte de la cantidad descrita en el párrafo 3, que puede ser aumentada según el párrafo 6.

5. El Gobierno de los Estados Unidos de América puede tomar las medidas apropiadas para asegurarse que las importaciones para consumo, a los Estados Unidos, procedentes de países que no forman parte del programa de limitaciones de 1979, no alteren el programa de limitaciones de 1979.

6. El Gobierno de los Estados Unidos de América puede aumentar la cantidad total permisible de importaciones de tales carnes a los Estados Unidos durante el año calendario de 1979 procedentes de países que forman parte del programa de limitaciones de 1979, o puede distribuir cualquier déficit estimado de alguna de las partes que constituyen la cantidad total del programa de limitaciones, o en los cálculos iniciales de importaciones procedentes de países que no forman parte del programa de limitaciones de 1979.

Si no se estima que vaya a registrarse algún déficit en las exportaciones de México, los aumentos o déficit estimados de que pueda disponerse, se asignarán a México en la proporción que 76.6 millones de libras tiene al total inicial de las partes de todos los países que constituyen el programa de limitaciones de 1979, que se estime que no tendrán déficit durante el año calendario de 1979.

Al determinar la cantidad que puede ser distribuida según este párrafo, el Gobierno de los Estados Unidos puede tomar en cuenta cualquier aumento que se registre en sus cálculos iniciales de importaciones procedentes de países que no forman parte del programa de limitaciones.

7. El Gobierno de México y el Gobierno de los Estados Unidos se consultarán prontamente a solicitud de cualquier de los dos Gobiernos, respecto a cualquier asunto relacionado con la aplicación, interpretación u operación de este acuerdo y con respecto a cualquier aumento en la cantidad total de importaciones procedentes de México permisible bajo el programa de limitaciones incluyendo la distribución de cualquier déficit.

8. En caso de que sea necesario imponer cuotas para la importación de tales carnes, el período representativo usado por el Gobierno de los Estados Unidos

de América para calcular la cuota para México, no incluirá el período comprendido entre el primero de octubre de 1968, y el 30 de junio de 1972, o los años calendarios 1975, 1976, 1977, 1978 y 1979, excepto mediante arreglo con el Gobierno de México.

9. (a) Para capacitar a ambos Gobiernos a seguir el progreso de este acuerdo, el Gobierno de los Estados Unidos de América, proveerá al Gobierno de México, tan pronto como sea posible después del fin de cada semana, la información estadística aduanal sobre las importaciones de tales carnes procedentes de todos los países abastecedores.

(b) Tan pronto como sea posible después del fin de cada mes, el Gobierno de México proveerá al Gobierno de los Estados Unidos de América, detalles de los arribos programados hasta el 31 de diciembre de 1979, barco por barco y puerto por puerto, basados en los embarques ya hechos

en México.

Tengo el honor de proponer que si lo anterior es aceptable al Gobierno de México, esta nota y la respuesta confirmatoria de su Excelencia, constituyan un acuerdo entre nuestros dos Gobiernos que entrará en vigor en la fecha de su respuesta.

Acepte, Excelencia, las seguridades renovadas de mi más alta consideración."

En respuesta, me complazco en informar a Vuestra Excelencia, que mi Gobierno encuentra - aceptable la precedente propuesta y, en consecuencia, conviene en que la nota de Vuestra Excelencia arriba transcrita y la presente, constituyen un acuerdo entre los Estados Unidos Mexicanos y los Estados Unidos de América.

Aprovecho esta oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta consideración.



Hugo B. Margain
EmbaJador

TRANSLATION

EMBASSY OF MEXICO

No. 0022

Washington, January 15, 1979

Mr. Secretary:

I have the honor to acknowledge receipt of Your Excellency's note of January 11, 1979, which, translated into Spanish, reads as follows:

[For the English language text, see pp. 2959–2963.]

In reply, I take pleasure in informing Your Excellency that the foregoing proposal is acceptable to my Government and that it therefore agrees that Your Excellency's note transcribed above and this note constitute an agreement between the United Mexican States and the United States of America.

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

Hugo B. Margáin

Hugo B. Margáin
Ambassador

His Excellency
Cyrus R. Vance,
Secretary of State,
Washington, D.C.

The Secretary of State to the Nicaraguan Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Dr. Guillermo Sevilla-Sacasa,

Ambassador of Nicaragua.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Nicaragua 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 pursuant to the 1979 restraint program.

3. The Government of Nicaragua shall limit the quantity of such meats exported from Nicaragua as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 62.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 62.6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Nicaragua which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Nicaragua unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Nicaragua such increases or estimated shortfall as may be available shall be allocated to Nicaragua in the proportion that 62.6 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Nicaragua 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 Nicaragua permissible under the restraint program including allocation of any shortfall.

8. 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 Nicaragua shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Nicaragua.

9. (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 Nicaragua 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 Nicaragua shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Nicaragua.

I have the honor to propose that, if the foregoing is acceptable to the Government of Nicaragua, this note and 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 assurance of my highest
consideration.

For the Secretary of State:

Stephen W. Bosworth

The Nicaraguan Ambassador to the Secretary of State

EMBAJADA DE NICARAGUA
WASHINGTON, D. C.

SD-CH-7

January 16, 1979.

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of January 11, relating to the importation into the United States for consumption of meats, and stating the conditions under which this importation shall be carried out.

The Government of Nicaragua is in complete agreement with the conditions set forth in Your Excellency's note in regard to the importation of meats into the United States of America.

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

Guillermo Sevilla Sacasa
Ambassador of Nicaragua

His Excellency
Cyrus R. Vance
The Secretary of State
Washington, D. C.

The Secretary of State to the Panamanian Chargé d'Affaires ad interim

January 11, 1979

Madame:

I refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

Miss Marina Mayo,

Charge d'Affaires ad interim,
of Panama.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Panama 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 pursuant to the 1979 restraint program.

3. The Government of Panama shall limit the quantity of such meats exported from Panama as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 6.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 6.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Panama which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Panama unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Panama such increases or estimated shortfall as may be available shall be allocated to Panama in the proportion that 6.2 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Panama 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 Panama permissible under the restraint program including allocation of any shortfall.

8. 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 Panama shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Panama.

9. (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 Panama 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 Panama shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Panama.

I propose that, if the foregoing is acceptable to the Government of Panama, this note and your confirmatory reply constitute an agreement between our two Governments which shall enter into force on the date of your reply.

o

TIAS 9376

Accept, Madame, the renewed assurance of my high
consideration.

For the Secretary of State:

Stephen W. Bosworth

*The Panamanian Chargé d'Affaires ad interim to the Secretary of
State*

EMBAJADA DE PANAMA
WASHINGTON, D. C. 20008

E.P. EUA-28-D

17 de enero de 1979

Señor Secretario:

Tengo el honor de avisar recibo a Vuestra Excelencia de la nota fechada el 11 de enero del presente año, que dice lo siguiente:

Excelencia:

"Tengo el honor de referirme a las conversaciones entre representantes de nuestros dos gobiernos y otros gobiernos relacionadas con las importaciones a los Estados Unidos, para consumo, de carnes descritas más adelante en el párrafo 1, durante el año civil de 1979. Con el entendimiento de que acuerdos similares se concertarán también para el año civil de 1979 con Gobiernos de otros países que exportan cantidades considerables de carnes a los Estados Unidos, tengo el honor de proponer el siguiente acuerdo entre nuestros dos Gobiernos:

1. Para propósitos de este acuerdo, el término 'tales carnes' significa carne de ganado vacuno fresca, refrigerada o congelada (Rubro 106.10 del Cuadro de Aranceles de los Estados Unidos), carne fresca, refrigerada o congelada, de ganado ovino o caprino, excepto corderos

A Su Excelencia
Cyrus Vance
Secretario de Estado
Washington, D. C.

(Rubro 106.20 del Cuadro de Aranceles de los Estados Unidos), y carnes que, salvo por su elaboración en zonas de libre comercio, territorios o posesiones de los Estados Unidos, con anterioridad a la entrada o salida del almacén, para consumo dentro del Territorio Arancelario de los Estados Unidos, estarán contenidas dentro de la descripción anterior (y las partidas del Cuadro Arancelario de los Estados Unidos) en el momento de su entrada o salida del almacén, para fines de consumo.

2. Este acuerdo, junto con acuerdos similares concertados con otros países que exportan a los Estados Unidos cantidades considerables de tales carnes, constituirá el programa de restricciones de 1979. Con sujeción a lo contenido en el párrafo 6, la cantidad total de importaciones de tales carnes permitidas a los Estados Unidos para fines de consumo durante el año civil de 1979 procedentes de países que son partes en el programa de restricciones de 1979 será de 1477.4 millones de libras, y el Gobierno de Panamá y el Gobierno de los Estados Unidos de América asumirán respectivamente las responsabilidades fijadas más adelante para la regulación de exportaciones e importaciones a los Estados Unidos en virtud del programa de restricciones de 1979.

3. El Gobierno de Panamá limitará la cantidad de tales carnes exportadas de Panamá como envíos directos o

en conocimiento de porte corrido a los Estados Unidos, de tal forma que la cantidad que ingresa, o se retira del almacén, para fines de consumo en el Territorio Arancelario de los Estados Unidos durante el año civil de 1979 no excederá de 6.2 millones de libras, o de las cantidades mayores que pudieren resultar de reajustes conforme al párrafo 6.

4. El Gobierno de los Estados Unidos de América podrá emitir reglamentos que limiten a 6.2 millones de libras, o a las cantidades mayores que pudieren resultar de reajustes conforme al párrafo 6, la cantidad de tales carnes de Panamá que, durante el año civil de 1979, puedan entrar o salir de almacén para fines de consumo, sean o no estas carnes enviadas por vía directa o indirecta, siempre que (a) estos reglamentos no se emplearán para gobernar durante el año civil de 1979 las fechas o momentos de entrada o salida de almacén, para el consumo de tales carnes de Panamá, a menos que de otro modo se convenga; y que (b) tales reglamentos se promulguen después de que se hayan celebrado consultas, de conformidad con el párrafo 7. Se entiende que para los fines de este acuerdo se emplearán las estadísticas de las Aduanas de los Estados Unidos para las entradas y salidas del almacén, para consumo. Tales estadísticas no incluirán las carnes a las que se les ha negado entrada por no satisfacer las normas apropiadas prescritas de conformidad con la Ley Federal de Inspección de Carnes, según enmendada,

y tales carnes no se considerarán parte de la cantidad descrita en el párrafo 3, que podrá aumentarse de conformidad con el párrafo 6.

5. El Gobierno de los Estados Unidos de América podrá tomar medidas apropiadas para asegurar que las importaciones a los Estados Unidos para consumo de países que no son partes en el programa de restricciones de 1979 no trastornen el programa de restricciones de 1979.

6. 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 1979 de países que participen en el programa de restricciones o podrá readjudicar cualquier déficit calculado en una parte de la cantidad del programa de restricciones o en los cálculos iniciales de importaciones de países que no son partes en el programa de restricciones. Si no se ha calculado un déficit para Panamá, tal aumento o déficit calculado que pudiere estar disponible será adjudicado a Panamá en la proporción que 6.2 millones de libras guardan con el total de participaciones iniciales de todos los países que participan en el programa de restricciones y que se calcula no tendrán déficit en el año civil de 1979. A los fines de determinar la cantidad disponible para readjudicación de conformidad con este párrafo, el Gobierno de los Estados Unidos de América podrá tomar en cuenta cualesquiera aumentos de sus cálculos iniciales de importaciones de países que no son partes en el programa de restricciones.

7. El Gobierno de Panamá y el Gobierno de los Estados Unidos de América celebrarán consultas a la mayor brevedad, a solicitud de uno de los dos gobiernos, en relación con cualquier asunto sobre aplicación, interpretación o puesta en práctica del presente acuerdo, y sobre cualquier aumento de la cantidad total de importaciones de Panamá permitidas conforme al programa de restricciones, inclusive la adjudicación de cualquier déficit.

8. En el caso de que sea necesario fijar 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 Panamá no incluirá el período entre el 1º de octubre de 1968 y el 30 de junio de 1972, ni los años civiles de 1975, 1976, 1977, 1978 y 1979, excepto por acuerdo del Gobierno de Panamá.

9. (a) Con el fin de que ambos Gobiernos puedan mantenerse enterados del progreso logrado en el marco del presente acuerdo, el Gobierno de los Estados Unidos de América proporcionará al Gobierno de Panamá, lo antes posible después del fin de cada semana, información estadística aduanera relacionada con las importaciones de tales carnes provenientes de todos los países proveedores.

(b) Lo antes posible después del fin de cada mes, el Gobierno de Panamá proporcionará al Gobierno de los Estados Unidos de América detalles sobre llegadas programadas hasta el 31 de diciembre de 1979, barco por barco y puerto por puerto, con base a los embarques reales en Panamá.

Tengo el honor de proponer que si lo anterior es aceptable al Gobierno de Panamá, la presente nota, junto con la respuesta de Vuestra Excelencia confirmado lo antedicho constituye un acuerdo entre nuestros dos gobiernos que entrará en vigor en la fecha de la respuesta de Vuestra Excelencia.

Acepte Vuestra Excelencia las reiteradas seguridades de mi más alta consideración."

En contestación, tengo el honor de expresar la aceptación del Gobierno de la República de Panamá del acuerdo esbozado en la nota de Vuestra Excelencia a que me he referido.

Acepte, Vuestra Excelencia, las reiteradas seguridades de mi más alta consideración.

Marina Mayo
Marina Mayo
Encargado de Negocios, a.i.

TRANSLATION

Embassy of Panama
Washington, D.C.

No. E.P. EUA-28-D

January 17, 1979

Mr. Secretary:

I have the honor to acknowledge to Your Excellency receipt of the note of January 11, 1979, which reads as follows:

[For the English language text, see pp. 2980–2984.]

In reply, I have the honor to inform you that the Government of the Republic of Panama accepts the agreement set forth in Your Excellency's foregoing note.

Accept, Excellency, the assurances of my highest consideration.

Marina Mayo

Marina Mayo
Chargé d'Affaires ad interim

His Excellency
Cyrus Vance,
Secretary of State,
Washington, D.C.

The Secretary of State to the British Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions which have taken place among representatives of the Governments of the United States of America, the Governments of the United Kingdom of Great Britain and Northern Ireland and of Belize, and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during the calendar year 1979. With the understanding that similar agreements also will be concluded for calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

His Excellency**Peter Jay,****British Ambassador.**

2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1,477.4 million pounds, and the Government of Belize 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 pursuant to the 1979 restraint program.

3. The Government of Belize shall limit the quantity of such meats exported from Belize as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed .6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to .6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Belize which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meats from Belize, unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to

paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Belize, such increases or estimated shortfall as may be available shall be allocated to Belize in the proportion that .6 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Belize 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 Belize permissible under the restraint program including allocation of any shortfall.

8. 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 Belize shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Belize.

9. (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 Belize 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 Belize shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Belize.

I have the honor to propose that, if the foregoing is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Belize, this note and Your Excellency's confirmatory reply constitute an agreement between the Governments of the United States of America and the Government of the United Kingdom which shall enter into force on the date of your reply.

Accept, Excellency, the renewed assurance of my highest
consideration.

For the Secretary of State:

Stephen W. Bosworth

The British Ambassador to the Secretary of State

20 January 1979

Sir,

I have the honour to refer to your letter of 11 January which reads as follows:

"I have the honor to refer to discussions which have taken place among representatives of the Governments of the United States of America, the Governments of the United Kingdom of Great Britain and Northern Ireland and of Belize, and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during the calendar year 1979. With the understanding that similar agreements also will be concluded for calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

"1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

"2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1,477.4 million pounds, and the Government of Belize and the Government of the United States of

The Honorable Cyrus R Vance
Secretary of State

America shall respectively undertake responsibilities as set forth below for regulating exports to, and imports into, the United States pursuant to the 1979 restraint program.

"3. The Government of Belize shall limit the quantity of such meats exported from Belize as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed .6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

"4. The Government of the United States of America may issue regulations limiting to .6 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Belize which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provide that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meats from Belize, unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

"5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

"6. 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 1979 from countries party to the 1979 restraint program or may

re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Belize, such increases or estimated shortfall as may be available shall be allocated to Belize in the proportion that .6 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

"7. The Government of Belize 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 Belize permissible under the restraint program including allocation of any shortfall.

"8. 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 Belize shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Belize.

"9. (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 Belize 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 Belize shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Belize.

"I have the honor to propose that, if the foregoing is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Belize, this note and Your Excellency's confirmatory reply constitute an agreement between the Governments of the United States of America and the Government of the United Kingdom which shall enter into force on the date of your reply."

I have the honour to confirm that the foregoing is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Belize and that your letter and this reply constitute an agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America which shall enter into force on the date of this reply.

Accept, Sir, the renewed assurances of my highest consideration.



P JAY



The Secretary of State to the Honduran Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Dr. Antonio Bermudez-Milla,

Ambassador of Honduras.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Honduras 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 pursuant to the 1979 restraint program.

3. The Government of Honduras shall limit the quantity of such meats exported from Honduras as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 45.9 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 45.9 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Honduras which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Honduras unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Honduras such increases or estimated shortfall as may be available shall be allocated to Honduras in the proportion that 45.9 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

C

7. The Government of Honduras 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 Honduras permissible under the restraint program including allocation of any shortfall.

8. 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 Honduras shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Honduras.

9. (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 Honduras 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 Honduras shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Honduras.

I have the honor to propose that, if the foregoing is acceptable to the Government of Honduras, this note and 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 assurance of my highest
consideration.

For the Secretary of State:

Stephen W. Bosworth

The Honduran Ambassador to the Secretary of State

EMBAJADA DE LA REPUBLICA DE HONDURAS
WASHINGTON, D.C. 20008

No.022_EHW-DE

January 31, 1979

Excellency:

I have the honor to refer to your Note of January 11, 1979, in which you propose an agreement between our two governments, relating to the importacion from Honduras into the United States for consumption of meats.

The Government of Honduras accepts the agreement in the terms clearly explained in the said note.

As expressed by Honduras during the discussions prior to the proposal of this agreement, my country would have been able to import into the United States up to 50.0 million pounds of meat.

Accept, Excellency, the assurances of my highest consideration.



His Excellency
Cyrus Vance
Secretary of State
Department of State
Washington, D.C.

The Secretary of State to the New Zealand Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Merwyn Norrish,

Ambassador of New Zealand.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of New Zealand 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 pursuant to the 1979 restraint program.

3. The Government of New Zealand shall limit the quantity of such meats exported from New Zealand as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 331.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 331.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from New Zealand which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from New Zealand unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for New Zealand such increases or estimated shortfall as may be available shall be allocated to New Zealand in the proportion that 331.2 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of New Zealand 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 New Zealand permissible under the restraint program including allocation of any shortfall.

8. 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 New Zealand shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of New Zealand.

9. (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 New Zealand 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 New Zealand shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in New Zealand.

I have the honor to propose that, if the foregoing is acceptable to the Government of New Zealand, this note and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

The New Zealand Ambassador to the Secretary of State

Sir,

I have the honour to refer to your note of 11 January 1979 which reads as follows:

"I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

The Honourable
Cyrus R. Vance,
Secretary of State.

2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of New Zealand 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 pursuant to the 1979 restraint program.

3. The Government of New Zealand shall limit the quantity of such meats exported from New Zealand as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 331.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 331.2 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from New Zealand which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse,

consumption of such meats from New Zealand unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for New Zealand such increases or estimated shortfall as may be available shall be allocated to New Zealand in the proportion that 331.2 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall.

for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of New Zealand 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 New Zealand permissible under the restraint program including allocation of any shortfall.

8. 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 New Zealand shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of New Zealand.

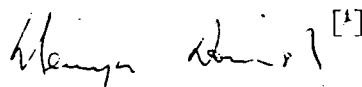
9. (a) To enable both Governments to follow progress under this agreement, the Government of the United States of America shall provide to the Government of New Zealand as soon as possible after the end of each week Customs statistical information concerning imports of such meats from all supplying countries.

(b) As soon as possible after the end of each month, the Government of New Zealand shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in New Zealand.

I have the honor to propose that, if the foregoing is acceptable to the Government of New Zealand, this note and Your Excellency's confirmatory reply constitute an agreement between our two Governments which shall enter into force on the date of your reply."

I have the honour to confirm that the foregoing is acceptable to the Government of New Zealand which agrees that your note, together with this reply, constitutes an agreement between our two Governments on this matter.

Accept, Sir, the renewed assurances of my highest consideration.

A handwritten signature in black ink, appearing to read "Merwyn Norrish". Above the signature is a small superscripted number "[1]".

Ambassador

Embassy of New Zealand,

WASHINGTON, D.C.

9 February 1979

10/XIII/79

¹ Merwyn Norrish.

The Secretary of State to the Salvadoran Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Roberto Quinonez Meza,

Ambassador of El Salvador.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of El Salvador 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 pursuant to the 1979 restraint program.

3. The Government of El Salvador shall limit the quantity of such meats exported from El Salvador as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 14.7 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 14.7 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from El Salvador which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from El Salvador unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for El Salvador such increases or estimated shortfall as may be available shall be allocated to El Salvador in the proportion that 14.7 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of El Salvador 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 El Salvador permissible under the restraint program including allocation of any shortfall.

8. 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 El Salvador shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of El Salvador.

9. (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 El Salvador 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 El Salvador shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in El Salvador.

I have the honor to propose that, if the foregoing is acceptable to the Government of El Salvador, this note and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

The Salvadoran Ambassador to the Secretary of State

EMBAJADA DE EL SALVADOR
2300 CALIFORNIA STREET, N.W.
WASHINGTON, D.C.

DE-10
A-861.5

February 14, 1979.

Dear Mr. Secretary:

I have the honor to acknowledge receipt of your note dated January 11, 1979 which reads:

"Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of El Salvador 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 pursuant to the 1979 restraint program.

3. The Government of El Salvador shall limit the quantity of such meats exported from El Salvador as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 14.7 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

The Honorable Cyrus R. Vance

Secretary of State

State Department

4. The Government of the United States of America may issue regulations limiting to 14.7 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from El Salvador which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meats from El Salvador unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for El Salvador such increases or estimated shortfall as may be available shall be allocated to El Salvador in the proportion that 14.7 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of El Salvador 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 El Salvador permissible under the restraint program including allocation of any shortfall.

8. In the event that quotas on imports of such meats should become necessary, the representative periods used by the Government of the United States of America for calculation of the quota for El Salvador shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of El Salvador.

9. (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 El Salvador 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 El Salvador shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in El Salvador.

I have the honor to propose that, if the foregoing is acceptable to the Government of El Salvador, this note and Your Excellency's confirmatory reply constitute an agreement between our two Governments which shall enter into force on the date of your reply.

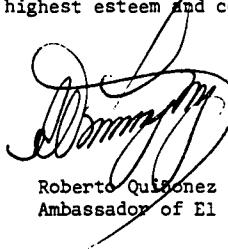
Accept, Excellency, the renewed assurance of my highest consideration.

For the Secretary of State: ."

I am pleased to inform you that my government has, as per Accord No.73, authorized me to sign, on behalf of the Government of El Salvador, the above mentioned agreement related to the exports of meats to the United States.

Enclosed is the proper Credential issued by the President of the Republic of El Salvador.

I take this opportunity to reiterate to the Secretary of State, the renewed assurances of my highest esteem and consideration.



Roberto Quijonez Meza
Ambassador of El Salvador

The Secretary of State to the Haitian Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Georges Salomon,

Ambassador of Haiti.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Haiti 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 pursuant to the 1979 restraint program.

3. The Government of Haiti shall limit the quantity of such meats exported from Haiti as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 2.4 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 2.4 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Haiti which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Haiti unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Haiti such increases or estimated shortfall as may be available shall be allocated to Haiti in the proportion that 2.4 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Haiti 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 Haiti permissible under the restraint program including allocation of any shortfall.

8. 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 Haiti shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Haiti.

9. (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 Haiti 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 Haiti shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Haiti.

I have the honor to propose that, if the foregoing is acceptable to the Government of Haiti, this note and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

The Haitian Ambassador to the Secretary of State

AMBASSADE D'HAITI
WASHINGTON

February 15, 1979

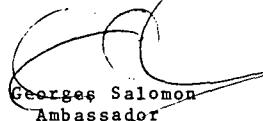
Your Excellency:

I received your letter dated January 11, 1979 proposing an agreement on the conditions of meat trading between our two countries.

After due consultations on the matter with proper Authorities I have the honor to inform that the proposals outlined in your Excellency's Letter are acceptable to the Government of Haiti.

My Government agree also that the above mentioned note and reply constitute an agreement between our two Governments which shall enter into force as from today.

I avail myself of that opportunity to renew to your Excellency the assurances of my highest consideration.



Georges Salomon
Ambassador

His Excellency
Mr. Cyrus VANCE
Secretary of State
of the United States of America
Washington, D.C.

The Secretary of State to the Dominican Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Francisco Augusto Lora,

Ambassador of The Dominican Republic.

TIAS 9376

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of the Dominican Republic 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 pursuant to the 1979 restraint program.

3. The Government of the Dominican Republic shall limit the quantity of such meats exported from the Dominican Republic as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 18.5 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 18.5 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from the Dominican Republic which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from the Dominican Republic unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7.

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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for the Dominican Republic such increases or estimated shortfall as may be available shall be allocated to the Dominican Republic in the proportion that 18.5 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of the Dominican Republic 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 The Dominican Republic permissible under the restraint program including allocation of any shortfall.

8. 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 the Dominican Republic shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of the Dominican Republic.

9. (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 the Dominican Republic 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 the Dominican Republic shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in the Dominican Republic.

I have the honor to propose that, if the foregoing is acceptable to the Government of the Dominican Republic, this note and 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 assurance of my highest consideration.

For the Secretary of State:

Stephen W. Bosworth

The Dominican Ambassador to the Secretary of State

EMBAJADA DE LA REPUBLICA DOMINICANA
WASHINGTON

March 9, 1979

Excellency:

I have the honor to refer to the Note of Your Excellency dated January 11, 1979, regarding the discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below during the calendar year 1979.

The text of the agreement proposed is as follows:

" 1.- For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United) upon such entry, or

His Excellency
Cyrus R. Vance
Secretary of State of the
United States of America
Washington, D. C.

withdrawal from warehouse, for consumption.

2.- This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of the Dominican Republic 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 pursuant to the 1979 restraint program.

3.- The Government of the Dominican Republic shall limit the quantity of such meats exported from the Dominican Republic as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 18.5 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4.- The Government of the United States of America may issue regulations limiting to 18.5 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from the Dominican Republic which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meats from the Dominican Republic unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7.

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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5.- The Government of the United States of America may take appropriate steps to ensure that imports of

such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6.—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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for the Dominican Republic such increase or estimated shortfall as may be available shall be allocated to the Dominican Republic in the proportion that 18.5 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimated of imports from countries not party to the restraint program.

7.—The Government of the Dominican Republic 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 the Dominican Republic permissible under the restraint program including allocation of any shortfall.

8.- 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 the Dominican Republic shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of the Dominican Republic.

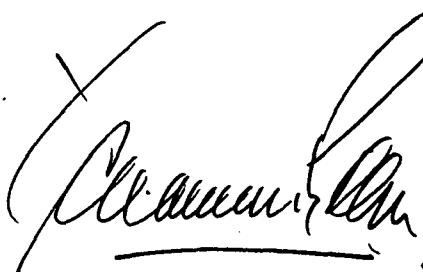
9.- (a) To enable both Government to follow progress under this agreement, the Government of the United States of America shall provide to the Government of the Dominican Republic as soon as possible after the end of each week Customs statistical information concerning imports of such meats from all supplying countries.

(b) As soon as possible after the end of each month, the Government of the Dominican Republic shall provide to the Government of the United States of America details of

scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in the Dominican Republic."

I have the honor to state that the Dominican Government accepts the aforementioned agreement and I hereby confirm that the Note of Your Excellency and this confirmatory Note of reply from us constitute an agreement between our two governments which shall enter into force on this very date and applicable to calendar year 1979.

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



[¹]

A handwritten signature in black ink, appearing to read "Francisco A. Lora". The signature is fluid and cursive, with a horizontal underline underneath the name. A small superscripted number "[1]" is positioned to the right of the signature.

¹ Francisco A. Lora.

The Secretary of State to the Australian Ambassador

January 11, 1979

Excellency:

I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh, chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

2. This agreement, together with similar agreements with other countries which export to the United States

His Excellency

Alan Philip Renouf,

Ambassador of Australia.

substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Australia 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 pursuant to the 1979 restraint program.

3. The Government of Australia shall limit the quantity of such meats exported from Australia as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 806.1 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 806.1 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Australia which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption of such meat from Australia unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant

to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Australia such increases or estimated shortfall as may be available shall be allocated to Australia in the proportion that 806.1 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Australia 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 Australia permissible under the restraint program including allocation of any shortfall.

8. 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 Australia shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1976, 1977, 1978 and 1979 except by the agreement of the Government of Australia.

9. (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 Australia 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 Australia shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Australia.

I have the honor to propose that, if the foregoing is acceptable to the Government of Australia, this note and 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 assurance of my highest
consideration.**

For the Secretary of State:

Stephen W. Bosworth

The Australian Ambassador to the Secretary of State



Sir,

I have the honour to refer to your note of
11 January, 1979, which reads as follows:

"I have the honor to refer to discussions among representatives of our two governments and other governments relating to the importation into the United States for consumption of meats described below in paragraph 1 during calendar year 1979. With the understanding that similar agreements also will be concluded for the calendar year 1979 with governments of other countries which export substantial quantities of meat to the United States, I have the honor to propose the following agreement between our two governments:

1. For purposes of this agreement, the term "such meats" shall mean fresh, chilled or frozen cattle meat (Item 106.10 of the Tariff Schedules of the United States), fresh chilled or frozen meat of goats and sheep, except lambs (Item 106.20 of the Tariff Schedules of the United States), and meats which, but for processing in foreign-trade zones, territories or possessions of the United States prior to entry, or withdrawal from warehouse, for consumption in United States Customs Territory, would fall within the above descriptions (and Items of the Tariff Schedules of the United States) upon such entry, or withdrawal from warehouse, for consumption.

The Hon. Cyrus R. Vance
Secretary of State
Washington, D.C. 20520

TIAS 9376

2. This agreement, together with similar agreements with other countries which export to the United States substantial quantities of such meats, shall constitute the 1979 restraint program. Subject to paragraph 6, the permissible total quantity of imports of such meats into the United States for consumption during calendar year 1979 from countries party to the 1979 restraint program shall be 1477.4 million pounds, and the Government of Australia 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 pursuant to the 1979 restraint program.

3. The Government of Australia shall limit the quantity of such meats exported from Australia as direct shipments or on a through bill of lading to the United States in such a manner that the quantity of such meats entered, or withdrawn from warehouse, for consumption in United States Customs Territory during the calendar year 1979 does not exceed 806.1 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6.

4. The Government of the United States of America may issue regulations limiting to 806.1 million pounds, or such greater quantity as may result from adjustments pursuant to paragraph 6, the quantity of such meats from Australia which, during calendar year 1979, may be entered, or withdrawn from warehouse, for consumption, whether such meats were shipped directly or indirectly, provided that (a) such regulations shall not be employed to govern spacing within calendar year 1979 of entry, or withdrawal from warehouse, for consumption

of such meats from Australia unless otherwise agreed; and (b) such regulations shall be issued after consultation pursuant to paragraph 7. 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, and those meats will not be regarded as part of the quantity described in paragraph 3, as it may be increased pursuant to paragraph 6.

5. The Government of the United States of America may take appropriate steps to ensure that imports of such meats into the United States for consumption from countries not party to the 1979 restraint program do not disrupt the 1979 restraint program.

6. 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 1979 from countries party to the 1979 restraint program or may re-allocate any estimated shortfall in a share of the restraint program quantity or in the initial estimates of imports from countries not party to the 1979 restraint program. If no shortfall is estimated for Australia such increases or estimated shortfall as may be available shall be allocated to Australia in the proportion that 806.1 million pounds bears to the total initial shares from all countries party to the 1979 restraint program which are estimated to have no shortfall for the calendar year 1979. In determining the amount available for re-allocation pursuant to this paragraph, the

Government of the United States of America may take into account any increase in its initial estimates of imports from countries not party to the restraint program.

7. The Government of Australia 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 Australia permissible under the restraint program including allocation of any shortfall.

8. 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 Australia shall not include the period between October 1, 1968 and June 30, 1972 or the calendar years 1975, 1977, 1978 and 1979 except by the agreement of the Government of Australia.

9. (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 Australia 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 Australia shall provide to the Government of the United States of America details of scheduled arrivals to December 31, 1979, ship-by-ship and port-by-port, based on actual loadings in Australia.

I have the honor to propose that, if the foregoing is acceptable to the Government of Australia, this note and Your Excellency's confirmatory reply constitute an agreement between our two Governments which shall enter into force on the date of your reply."

I have the honour to confirm that the foregoing is acceptable to the Government of Australia which agrees that your note together with this reply shall constitute an agreement between our two Governments on this matter.

Accept, Sir, the renewed assurances of my highest consideration.

Alan Renouf
(Alan Renouf)
Ambassador

Embassy of Australia
Washington, D.C.

March 29, 1979.

SENEGAL

Agricultural Commodities: Transfer Under Title II

*Agreement signed at Dakar February 21, 1978;
Entered into force February 21, 1978.*

And amending agreement

*Signed at Dakar March 29, 1978;
Entered into force March 29, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

Program Classification:	A.I.D. No. 685-045.9015-000-
Drought Emergency Food Assistance	8611
Executive Vice President	Program Approval Date:
Commodity Credit Corporation	November 27, 1977
U.S. Department of Agriculture	Program Title: Drought
Washington, D.C.	Emergency Food Assistance— Senegal

In accordance with the provisions of Title II, PL-480 (as amended),^[1] Section 2 of Executive Order 10900,^[2] State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Food GRAIN to SENEGAL in an amount not to exceed \$950,000 pursuant to the following instructions:

1. Quantity (Metric tons not to exceed:

Previous Total	Increase	Decrease	Total to Date
	10,000		10,000

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*
² 26 Fed. Reg. 143.

2. Commodities to be shipped:

Code	Commodity	Amount Metric Tons	Estimated Value
045. 9015	Sorghum	10, 000	\$950, 000

3. Estimated Ocean Transportation Costs: \$834,000

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to the Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

4. Commodity Specifications:

Grain Sorghum – Grade No. 2 or better. Bagged 100 pounds net, and 100 bulk bags accompanying.
USDA specifications.

5. Shipping Instructions:

- A. Delivery Schedule: As soon as possible.
- B. Port of Discharge: Dakar, Senegal
- C. Consignee: Government of Senegal
Commissariat al' Aide
Alimentaire
112 Rue Blanchot
Dakar, Senegal

D. Send copy of Bills of Lading to:

- (1) First original and one copy by airmail to Consignee.
- (2) After ships loading, second original and one copy to Consignee accompanying cargo.
- (3) Third original and two copies to A.I.D. Transportation and Support Division, Office of Commodity Management, Washington, D.C. 20523, ATTN: R. E. James.
- (4) Original and one copy to USAID, U.S. Embassy, Dakar, Senegal.

6. Program Objectives, Use of Commodity and Conditions of Transfer:

The commodity authorized herein contributed by the United States Government (USG) to the Government of Senegal (GOS) to assist in alleviating the shortage of food caused by prolonged drought. No portion of the commodity is authorized for sale.

- A. The commodity authorized herein is furnished for direct distribution by the GOS to drought victims who are unable to obtain essential food requirements through their own resources. The rate of distribution of the commodity shall not exceed the amount the recipient and his dependents can consume during the period for which the distribution is made.
- B. The GOS will pay all storage, internal handling and transportation and distribution costs on the commodity herein provided.
- C. The USG will supply the commodities herein provided and pay ocean transport cost to Dakar.
- D. Prior to the distribution of the commodities authorized herein, the GOS will furnish the American Embassy - ADO Dakar a plan of distribution including the location and number of recipients that will be fed an identifiable monthly ration over a specific period of time.
- E. After the date of the AID/Washington approval of the project, but before arrival of the authorized Title II commodities, the GOS may borrow the same or similar commodities from local sources to meet the requirements of the project. Such of the commodities borrowed as are used in accordance with the terms of this Transfer Authorization may be replaced on an equivalent value basis with the Title II commodities furnished to the project.
- F. The GOS agrees to keep the American Embassy - ADO Dakar fully informed concerning the status of commodity receipts and distribution and will provide complete details as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization.

7. Amendments

The above terms may be amended upon request of the GOS with concurrence of American Embassy - ADO Dakar and with cabled concurrence of AID/W.

FEBRUARY 21, 1978
Date

NORMAN SCHOONOVER
FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

Norman Schoonover
Regional Development Officer, Dakar
Agency for International Development

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this Agreement and of AID Regulation 11, 41F.R.47919-47927, Novem-

ber 1, 1976 (attached and incorporated herein by reference) except as otherwise specifically provided herein are hereby accepted.

FEBRUARY 21, 1978
Date

BABACAR BA [SEAL]

FOR THE GOVERNMENT OF SENEGAL

Babacar Ba
Minister of State
Ministry of Finance and Economic Affairs

DEPARTEMENT D'ETAT,
AGENCE POUR LE DEVELOPPEMENT INTERNATIONAL
WASHINGTON, D.C. 20523

AUTORISATION DE TRANSFERT

Classification du Programme:	A.I.D. No. 685-045.9015-000-
Aide Alimentaire d'Urgence	8611
pour la Sécheresse	
Vice Président Exécutif	Date d'Approbation du Pro-
Commodity Credit Corporation	gramme: 27 novembre 1977
U.S. Department of Agriculture	Titre du Programme: Aide Ali-
Washington, D.C.	mentaire d'Urgence—Sénégal

Conformément aux dispositions du Titre II, PL-480 (modifié), Section 2 du Décret Exécutif 10900, Ordre de la Délégation du Département d'Etat N° 104, en vigueur depuis le 30 septembre 1961, la Commodity Credit Corporation est autorisée par la présente à transférer et livrer des CEREALES AU SENEGAL pour un montant ne devant pas dépasser 950,000 dollars américains, conformément aux instructions suivantes:

1. Quantité (tonnes métriques ne devant pas dépasser:

Total Précédent	Augmentation	Diminution	Total à ce jour
	10,000		10,000

2. Produits à Expédier:

Code	Produit	Montant en Tonnes Métriques	Valeur Estimative
045:9015	Sorgho	10,000	\$950,000

3. Coût Estimatif du Transport Maritime: \$834,000

Toutes dépenses réelles de transport par voie maritime dans le cadre de ce programme, sans tenir compte de l'évaluation ci-dessus, doivent être chargées à l'Autorisation de Transfert de Fret N° 935-9500-000-88 Une Autorisation de Transfert Maritime individuelle ne sera pas émise.

4. Spécifications du Produit

Sorgho: Grade N°2 ou mieux. En sacs de 100 livres net et 100 sacs en vrac.

Specifications USDA

5. Directives d'Expédition

- | | |
|--------------------------|---|
| A. Plan de Livraison: | Dans les meilleurs délais |
| B. Port de Déchargement: | Dakar, Sénégal |
| C. Destinataire: | Gouvernement du Sénégal
Commissariat à l'Aide
Alimentaire
112 Rue Blanchot
Dakar, Sénégal |

D. Copies de Connaissances à envoyer:

- (1) 1er original et 1 copie, par avion, au destinataire.
- (2) Après chargement des bateaux, 2ème original et 1 copie au destinataire, accompagnant les marchandises.
- (3) 3ème original et 2 copies à l'A.I.D., Transportation and Support Division, Office of Commodity Management, Washington, D.C. Attention R. E. James.
- (4) Original et 1 copie à l'USAID, Ambassade des Etats-Unis Dakar, Sénégal

6. Objectifs du Programme, Utilisation des Produits et Conditions de Transfert.

Les produits autorisés ci-après sont donnés par le Gouvernement américain au Gouvernement sénégalais pour aider à soulager la pénurie de nourriture causée par une sécheresse prolongée. Aucune partie du produit ne sera vendue.

- A. Le produit autorisé par la présente autorisation est fourni pour distribution directe par le Gouvernement sénégalais aux victimes de la sécheresse n'étant pas à même d'acheter des denrées alimentaires. La quantité de produit distribuée n'excèdera pas le montant que le bénéficiaire et ses dépendants peuvent consommer pendant la période pour laquelle la distribution est faite.
- B. Le Gouvernement du Sénégal prendra à sa charge les frais

- d'emmagasinage; de manutention, de transport intérieur et de distribution du produit pourvu par la présente autorisation.
- C. Le Gouvernement des Etats-Unis fournira les produits autorisés ci-après et paiera les frais de transport maritime jusqu'à Dakar.
- D. Avant la distribution des produits autorisés par la présente, le Gouvernement du Sénégal devra fournir à l'Ambassade américaine, ADO Dakar, un plan de distribution précisant l'emplacement et le nombre de bénéficiaires devant recevoir une ration de nourriture mensuelle à déterminer, pour une période spécifique.
- E. Après la date d'approbation du projet par l'AID/Washington, mais avant l'arrivée des produits autorisés sous le Titre II, le Gouvernement du Sénégal pourra emprunter de source locale, le même ou semblable produit, pour faire face aux exigences du projet. Seuls les produits empruntés localement ayant été utilisés conformément aux termes de cette Autorisation de Transfert peuvent être remplacés sur une base de valeur équivalente avec les produits du Titre II fournis au projet.
- F. Le Gouvernement du Sénégal accepte de tenir l'Ambassade américaine-ADO Dakar, entièrement informée en ce qui concerne les réceptions et distributions des produits et donnera tous les détails complets requis. Des représentants du Gouvernement américain seront autorisés à examiner et à avoir accès à tous les dossiers relatifs à l'usage des produits fournis par cette Autorisation de Transfert.

7. Amendements

Les termes ci-dessus énoncés peuvent être amendés sur demande du Gouvernement du Sénégal avec l'accord de l'Ambassade américaine ADO Dakar, et l'accord de l'AID/Washington télégraphie.

FEBRUARY 21, 1978

Date

NORMAN SCHOONOVER

POUR LE GOUVERNEMENT DES
ETATS-UNIS D'AMERIQUE

Norman Schoonover

*Regional Development Officer, Dakar
Agency for International Development*

REQUETE ET AGREMENT: L'assistance décrite dans cette Autorisation est requise et les termes et conditions de cet Accord ainsi que le Règlement N° 11 de l'AID, 41F.R.47919-47927, 1er novembre

1976 (joint et incorporé ci-dedans pour référence) a moins d'être autrement stipulés de façon spécifique, sont acceptées par la présente.

FEBRUARY 21, 1978

Date

BABACAR BA [SEAL]

POUR LE GOUVERNEMENT DU SENEGAL

Babacar Ba
Minister of State
Ministry of Finance and Economic Affairs

[AMENDING AGREEMENT]

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

Program Classification:

Drought Emergency Food Assistance

Amendment No. 1 to

A.I.D. No. 685-045.9015-000-
8611

Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

Program Approval Date:

27 November 1977

Amendment dated:
9 January 1978

Program Title: Drought
Emergency Food Assistance
Senegal

In accordance with the provisions of Title II, PL 480 (as amended), Section 2 of Executive Order 10900, State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Food GRAIN to SENEGAL in an amount not to exceed \$2,375,000 pursuant to the following instructions:

PURPOSE OF AMENDMENT: To increase the amount of grain sorghum to be shipped to Senegal for use in drought relief activities. Paragraphs 1, 2 and 3 are amended to reflect the increased commodities and the increase in ocean freight costs.

1. Quantity (Metric tons not to exceed):

Previous Total	Increase	Decrease	Total to Date
10,000	15,000		25,000

2. Commodities to be shipped:

Code No.	Commodity	Quantity		Estimated Value		
		Amended MT	Total to Date MT	Amended \$	Value Total to Date	
045.9015	Sorghum	15,000	25,000	\$1,425,000	\$2,375,000	

3. Estimated Ocean Transportation Costs:

Previous Total	Increase	Decrease	Total to Date
\$834,000	\$1,251,000		\$2,085,000

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

All Other Provisions Remain Unchanged.

MARCH 29, 1978
Date

NORMAN SCHOONOVER
FOR THE GOVERNMENT OF THE
UNITED STATES

Norman Schoonover
Mission Director, Dakar
Agency for International Development

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41F.R.47919-47927, Novem-

ber 1, 1976 (incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

MARCH 29, 1978

Date

MADIENG DIAKHATE

*Pour le Ministre d'Etat Charge des Finances
et des Affaires Economiques
et par Delegation
Le Secretaire General*

FOR THE GOVERNMENT OF SENEGAL

Madieng Diakhate
*Secretary General of Ministry of
Finance and Economic Affairs*

DEPARTEMENT D'ETAT
AGENCE POUR LE DEVELOPPEMENT INTERNATIONAL
WASHINGTON, D.C. 20523

AUTORISATION DE TRANSFERT

Classification du Programme:
Aide Alimentaire d'Urgence
pour la Sécheresse
Vice Président exécutif
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

Amendement N° 1, A.I.D. N°
685-045. 9015-000-8611
Date d'Approbation du Pro-
gramme: 27 novembre 1977
Date de l'Amendement:
9 janvier 1978
Titre du Programme:
Aide Alimentaire d'Urgence—
Sénégal

Conformément aux dispositions du Titre II, PL-480 (modifié); Section 2 du Décret Exécutif 10900, Ordre de la Délégation du Département d'Etat N° 104, en vigueur depuis le 30 septembre 1961, la Commodity Credit Corporation est autorisée par la présente à transporter et à livrer des CEREALES AU SENEGAL pour un montant ne devant pas dépasser 2.375.000 dollars américains, conformément aux instructions suivantes:

OBJET DE L'AMENDEMENT: Accroître la quantité de sorgho à expédier au Sénégal, dans le cadre d'activités d'assistance aux victimes de la sécheresse. Les paragraphes 1, 2 et 3 sont modifiés de façon à faire état des produits augmentés et des frais de fret maritime accrus.

1. Quantité (tonnes métriques ne devant pas dépasser):

Total précédent	Augmentation	Diminution	Total à ce jour
10. 000	15. 000		25. 000

2. Produits à expédier:

Code No.	Produit	Quantité Totale à ce		Valeur estimative	
		Modifiée Tonnes	jour- Tonnes	Modifiée \$	Totale à ce jour
045. 9015	Sorgho	15. 000	25. 000	\$1, 425, 000	\$2, 375, 000

3. Coût estimatif du transport maritime:

Total précédent	Augmentation	Diminution	Total à ce jour
\$834, 000	\$1, 251, 000		\$2, 085, 000

Toutes dépenses réelles de transport par voie maritime dans le cadre de ce programme, sans tenir compte de l'évaluation ci-dessus, doivent être chargées à l'Autorisation de Transfert de Fret N° 935-9500-000-8899. Une Autorisation de Transfert Maritime individuelle ne sera pas émise

Toutes autres Conditions Restent Inchangees

3/29/78

Date

NORMAN SCHOONOVER

POUR LE GOUVERNEMENT DES ETATS-UNIS
D'AMERIQUE

Norman Schoonover
Mission Director, Dakar
Agency for International Development

REQUETE ET AGREMENT: L'aide décrite dans cette Autorisation, est requise et les termes et conditions de cet Accord ainsi que ceux du Règlement 11 de l'AID, 41F.R.47919-47927, 1er novembre 1976

(ci-jointe et incorporée ci-dedans pour référence) à moins d'être stipulés autrement de façon spécifique, sont acceptes par la présente.

29 MARS 1978
Date

MADIENG DIAKHATE
*Pour le Ministre des Finances
et des Affaires Economiques
et par Delegation
Le Secrétaire Général*

POUR LE GOUVERNEMENT DU SENEGLAL

Madieng Diakhate
*Secretary General of Ministry of
Finance and Economic Affairs*

BANGLADESH
**Agricultural Commodities: Transfer Under
Title II**

*Agreement signed at Dacca March 16, 1978;
Entered into force March 16, 1978.*

**DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523**

TRANSFER AUTHORIZATION

Program Classification: Gratuitous Relief	A.I.D. No. 388-045.9015-000-8603
Executive Vice President Commodity Credit Corporation U.S. Department of Agriculture Washington, D.C.	Program Approval Date: 12 January 1978
	Program Title: Rainy Season Gratuitous Relief - Bangladesh

In accordance with the provisions of Title II, PL 480 (as amended),^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver FOOD GRAIN TO BANGLADESH in an amount not to exceed dollars 1,030,000 pursuant to the following instructions:

1. Quantity (Metric tons not to exceed:

<u>Previous Total</u>	<u>Increase</u>	<u>Decrease</u>	<u>Total to Date</u>
10,000			10,000

2. Commodity to be shipped:

<u>Code</u>	<u>Commodity</u>	<u>Amount</u> <u>Metric Tons</u>	<u>Estimated Value</u>
045.9015	Sorghum	10,000	\$ 1,030,000

3. Estimated Ocean Transportation Costs: \$900,000

All actual ocean transportation expenditures under this program regardless of the estimate shown above, are to be charged to the Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

4. Commodity Specifications:

Grain Sorghum - Grade No. 2 or better. Bagged 100 pounds net and 100 bulk bags accompanying.

USDA specifications.

5. Shipping Instructions:

- A. Delivery Schedule: Beginning of April.
- B. Port of Discharge: 6,100 MT Chittagong, Bangladesh
3,900 MT Chalna, Bangladesh
- C. Consignee: Secretary/Ministry of Food
Room 523/2nd Nine Storey Building
Bangladesh Secretariat
Dacca - 2, Bangladesh
- D. Send copies of Bills of Lading to:
- (1) First original and one copy by airmail to Consignee.
 - (2) After ships loading, second original and one copy to Consignee accompanying cargo.
 - (3) Third original and two copies to A.I.D. Transportation and Support Division, Office of Commodity Management, Washington, D.C. 20523, ATTN: R.E. James.
 - (4) Original and one copy to USAID, U.S. Embassy, Dacca Bangladesh.

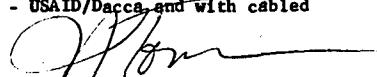
6. Program Objectives, Use of Commodity and Conditions of Transfer:

The commodity authorized herein contributed by the United States Government (USG) to the Government of Bangladesh (GOB) as a means of assuring adequate food intake for the small percentage of the population in remote rural areas who are chronically destitute and have no source of income during the rainy season. It is also designed as a means of introducing sorghum distribution into Bangladesh. No portion of the commodity is authorized for sale.

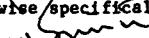
- A. The commodity authorized herein is furnished for direct, free distribution by the GOB to the chronically destitute who are unable to obtain essential food requirements through their own resources. The rate of distribution of the commodity shall not exceed the amount the recipient and his or her dependents can consume during the period for which the distribution is made.
- B. The GOB will pay all storage, internal handling and transportation and distribution costs on the commodity herein provided.
- C. The USG will supply the commodity herein provided and pay ocean transport cost to Chittagong/Chalna.
- D. Prior to the distribution of the commodities authorized herein, the GOB will furnish the American Embassy - USAID/Dacca a plan of distribution including the location and number of recipients that will be fed an identifiable monthly ration over a specific period of time.
- E. The GOB agrees to keep the American Embassy - USAID/Dacca fully informed concerning the status of commodity receipts and distribution and will provide complete details as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization.

7. Amendments:

The above terms may be amended upon request of the GOB with concurrence of American Embassy - USAID/Dacca and with cabled concurrence of AID/W.


Joseph S. Toner
Director, USAID/Dacca
FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of the Agreement and of AID Regulation 11, 41FR47919-47927, November 1, 1970 (attached and incorporated herein by reference) except as otherwise specifically provided herein are hereby accepted.


March 16, 1978
Date
M. Lutfullah Majid
Joint Secretary, External Resources Division
FOR THE GOVERNMENT OF BANGLADESH

MAURITANIA

Agricultural Commodities: Transfer Under Title II

*Agreement signed at Nouakchott April 18, 1978,
Entered into force April 18, 1978.*

*And amending agreement
Signed at Nouakchott April 18, 1978,
Entered into force April 18, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20528

TRANSFER AUTHORIZATION

Program Classification. AID no. 682-045.9015-000-8612

Drought Emergency Food Assistance Program Approval Dated.

November 27, 1977

Executive Vice President.

Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C. Program Title Drought
Emergency Food Assistance -
Mauritania

In accordance with provisions of Title II, PL 480 (as amended)^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Food GRAIN TO MAURITANIA in an amount not to exceed \$475,000 pursuant to the following instructions:

1. Quantity—Metric tons not to exceed.

Previous Total	Increase	Decrease	Total to Date
	5, 000		5, 000

¹ 68 Stat. 457, 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

2. Commodities to be shipped.

Code	Commodity	Amount Metric Tons	Estimated Value
045. 9015	Sorghum	5, 000	\$475, 000

3. Estimated ocean transportation costs: \$417,375

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to the blanket freight transfer authorization No. 935-9500-000-8899. An individual ocean freight transfer authorization will not be issued.

4. Specifications:

Grain Sorghum – Bagged 100 pounds net. USDA specifications.

5. Shipping Instructions:

- A. Delivery Schedule ASAP
- B. Port of Discharge. Dakar, Senegal
- C. Point of Entry. (Landlocked Country) Rosso, Mauritania
- D Consignee. American Embassy, Dakar, Senegal for transshipment
- E. Send copies of Bills of Lading to
 - 1. First original and one copy by airmail to consignee.
 - 2. After ships loading, second original and one copy to consignee accompanying cargo.
 - 3. Third original and two copies to A.I.D Transportation and Support Division, Office of Commodity Management, Washington, D.C. 20523, ATTN R. E. James.
 - 4. Original and two copies to A.I.D./CDO Nouakchott, c/o American Embassy, Nouakchott, Mauritania.
 - 5. One copy to RFFPO USAID Senegal, c/o American Embassy, Dakar, Senegal.

6. Program Objectives, Use of Commodities and Conditions of Transfer

The commodity authorized herein is contributed by the United States Government (USG) to the Government of the Islamic Republic of Mauritania (GIRM) to assist in alleviating the shortage of food caused by drought.

- A. The commodities herein contributed are for (1) free direct distribution to victims of the drought unable to purchase food supplies. The rate of distribution is not to exceed the amount the recipient and his dependents can consume during the period for which the distribution is made, (2) for sale as specified B.

- B. The GIRM is authorized to sell a maximum of 90 percent of the cereals imported under this agreement at prices neutrally agreed upon by the GIRM and USAID/Nouakchott. The GIRM herewith agrees to distribute free of charge at least 10 percent of the total quantity to needy persons in the Islamic Republic of Mauritania.
- C. Local currency proceeds from the sales of foods under this agreement shall be deposited in a special account opened in the name of "1978 American Emergency Program" in the GIRM Treasury. The specific uses of the proceeds shall be agreed upon in writing between the GIRM and A.I.D office in Mauritania prior to any expenditures. The GIRM agrees to provide a monthly report on all currencies generated under this agreement giving details of deposits and disbursements. All such amounts remaining unexpended after two years from date of deposit and accrued interest, if any, shall be deposited with U.S. Disbursing Officer, AmEmbassy, Mauritania.
- D. The GIRM will admit the grains into the country free of all customs duties, taxes, statistical taxes, or any other tax fees, and will pay all storage, internal handling, transportation and distribution costs on the commodities herein.
- E. The USG will supply the commodities herein provided and pay ocean transport, independent survey report costs, and inland transportation costs to designated point of entry in Mauritania.
- F. The GIRM agrees to keep A.I.D Mauritania fully informed concerning the status of commodity receipts, distribution and sales and will provide complete details, as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization. The GIRM further agrees to submit a monthly report to the A.I.D Nouakchott, no later than ten days following the end of the preceding month, to include the following:
- a. Beginning stocks
 - b. Arrivals
 - c. Distributions
 - d. Sales
 - e. Damaged stocks
 - f. Ending stocks

7 Amendments:

The above terms may be amended upon request of the GIRM with the concurrence of American Embassy – CDO Nouakchott and with cabled concurrence of AID/W

8. In the event of conflict between the French and English versions of this Agreement, the English version will prevail.

APRIL 18, 1978

Date

E GREGORY KRYZA
FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

E. Gregory Kryza,
Ambassador of the United States

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of A.I.D Regulation 11, 41 F.R. 47919-47927, November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

APRIL 18, 1978

Date

AHMED OULD MOHAMED SALEH

FOR THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF MAURITANIA
Ahmed ould Mohamed Saleh
Acting Minister of Rural Development

DÉPARTEMENT D'ETAT
AGENCE DES ETATS UNIS POUR LE DÉVELOPPEMENT INTERNATIONAL
WASHINGTON, D.C. 20523

AUTORISATION DE TRANSFERT

Classement. Programme
d'Urgence des Vivres de
Secours pour la Sécheresse

Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

AID No. 682-045.9015-000-8612

Date d'Approbation du Pro-
gramme.
le 27 Novembre 1977

Titre. Programme d'Urgence des
Vivres de Secours pour la
Sécheresse - Mauritanie

En conformité avec les dispositions du Titre de la Loi Publique 480 (PL 480), telle que modifiée, de la section 2 du Décret Exécutif 10900, et du Décret de Délégation des Pouvoirs du Département d'Etat No. 104 entré en vigueur le 30 Septembre 1961, la "Commodity Credit Corporation" est autorisée par le présent Accord à transférer et à délivrer des CEREALES A LA MAURITANIE dont le montant ne doit pas dépasser, \$475.000 conformément aux instructions ci-après.

1. La quantité – Tonnes Métriques à ne pas dépasser:

Total Antérieur	Augmentation	Diminution	Total à ce jour
	5. 000		5. 000

2. Produits à expédier:

Code	Produit	Poids/Tonnes Métriques	Valeur Approximative
045. 9015	Sorgho	5. 000	\$475. 000

3. Frais Approximatifs de Transport Maritime \$417.375

Malgré le montant de l' estimation mentionnée ci-avant, tous les frais réels de transport maritime dans le cadre de ce programme seront imputés à l'autorisation générale du transfert de frêt No. 935-9500-000-8899. Une autorisation individuelle du transfert de frêt maritime ne sera pas délivrée.

4. Prescription.

Sorgho en grains – mis en sacs de (100 livres américaines nettes “environ 45 kg 30”)

5. Instruction d’Expédition.

- A. Calendrier de livraison. Dès que possible
 - B. Port de Débarquement. Dakar, Sénégal
 - C. Point d’Entrée (Pays sans port maritime), Rosso, Mauritanie
 - D. Destinataire Ambassade des Etats Unis, Dakar, Sénégal pour Transbordement.
 - E. Répartition des Connaissances.
1. Premier Original et une copie par avion au destinataire.
 2. Après chargement du bateau, deuxième original et une copie accompagnant les vivres, adressés au destinataire.
 3. Troisième original et deux copies adressés à l'A.I.D – Transportation and Support Division, Office of Commodity Management, Washington, D.C. 20523, ATTN R.E. James.
 4. Original et deux copies adressés au Conseiller chargé du Programme du Développement – USAID/Nouakchott, s/c Ambassade des Etats Unis, Nouakchott, Mauritanie.
 5. Une copie adressée à RFFPO – USAID Sénégal. s/c Ambassade des Etats Unis, Dakar, Sénégal.

6. Objectifs du Programme, Utilisation des Vivres et les Conditions de Transfert

Les vivres autorisés par le présent Accord sont contribués par le Gouvernement des Etats Unis (G.E.U.) au Gouvernement de la République Islamique de Mauritanie (GRIM) pour aider à alléger la pénurie des vivres causée par la sécheresse.

- A. Les vivres ainsi contribués sont destinés à (1) une distribution directe gratuite aux victimes de la sécheresse qui n'ont pas les moyens d'acheter des denrées alimentaires. Le taux de distribution ne doit pas dépasser la quantité qui peut être consommée au cours de la période pour laquelle la distribution est faite, (2) à la vente dans les conditions spécifiées à l'alinéa B.
- B. Le GRIM est autorisé à vendre 90% des céréales importées dans le cadre du présent Accord à des prix convenus d'une façon neutre entre le GRIM et l'USAID/Nouakchott. Par le présent, le GRIM est d'accord de distribuer gratuitement au moins 10% de la quantité globale aux nécessiteux en République Islamique de Mauritanie.
- C. Le produit de vente en monnaie locale sera déposé dans un compte spécial ouvert au nom du "Programme d'Urgence Américain 1978", dans le Trésor du GRIM. L'utilisation spécifique de ce produit de vente sera convenue par dépenses. Le GRIM est d'accord de fournir un rapport mensuel sur toutes les sommes générées sous le présent Accord en donnant des détails sur les versements et less décoissements. Toutes les sommes restées indépensées deux ans après la date de dépôt et les intérêts accumulés, s'il y en a, seront déposés chez le payeur, à l'Ambassade des Etats Unis en Mauritanie.
- D. Le GRIM importera les céréales exonérées de tous droits de taxe et il supportera les frais de magasinage, de manutention, de transport et de distribution à l'intérieur du pays des produits énumérés dans le présent Accord.
- E. Le G.E.U fournit les vivres prévus dans cet Accord et supportera les frais de transport maritime, les frais du rapport d'expertise indépendant et les frais de transport par voie routière jusqu'au point d'entrée en Mauritanie.
- F. Le GRIM est d'accord de tenir l'A.I.D en Mauritanie pleinement informée de l'état des entrées des vivres, leurs distributions et ventes et il fournira des détails complets à la demande des représentants du G.E.U seront autorisés à examiner et à avoir accès à tous les livres tenus concernant l'utilisation des vivres fournis par cette Autorisation de Transfer. Par ailleurs, le GRIM est d'accord de fournir un rapport mensuel à la Mission de l'A.I.D à Nouakchott, au plus tard dix jours après la fin du mois précédent, comprennant les détails suivants.
 - a. Stocks au début du mois
 - b. Arrivages
 - c. Distributions
 - d. Ventes

- e. Stocks endommagés
- f. Stocks à la fin du mois.

7 Modifications

Les dispositions ci-dessus peuvent être modifiées à la demande du GRIM avec l'accord de l'Ambassade des Etats Unis — la Mission de l'USAID à Nouakchott et avec l'accord du Siège de l'A.I.D à Washington donné par télégramme.

8. En cas d'ambiguïté ou de conflit entre les versions Anglaise et et Française de cet Accord, la version anglaise seule fera foi.

18 AVRIL 1978

Date, le

E GREGORY KRYZA

POUR LE GOUVERNEMENT DES ETATS UNIS
D'AMÉRIQUE

DEMANDE ET ACCEPTATION L'aide décrite dans cette Autorisation est par ceci demandée et les dispositions et conditions de cet Accord et du règlement de l'A.I.D No. 11, F.R. 47919-47927, du 1 Novembre 1976 (ci-joint et incorporé dans le présent Accord par référence), sauf disposition contraire ci-dessus, sont par ces présents acceptés.

18 AVRIL 1978

Date, le

AHMED OULD MOHAMED SALEH

POUR LE GOUVERNEMENT DE LA RÉPUBLIQUE
ISLAMIQUE DE MAURITANIE

[AMENDING AGREEMENT]

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20528

TRANSFER AUTHORIZATION

Program Classification. Drought Emergency Food Assistance	Amendment No. 1 to A.I.D No. 682-045.9015-000-8612
Executive Vice President Commodity Credit Corporation U.S. Department of Agriculture Washington, D.C.	Program Approval Date: 27 November 1977 Amendment dated. Program Title: Drought Emergency Food Assistance MAURITANIA

In accordance with the provisions of Title II, PL 480 (as amended);

Section 2 of Executive Order 10900, State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver FOOD GRAIN to MAURITANIA in an amount not to exceed \$990,000 pursuant to the following instructions:

PURPOSE OF AMENDMENT. To increase the amount of grain sorghum to be shipped to Mauritania for use in drought relief activities. Paragraphs 1, 2 and 3 are amended to reflect the increased commodities and the increase in ocean freight costs.

1. Quantity (Metric tons not to exceed)

Previous Total	Increase	Decrease	Total to Date
5, 000	5, 000		10, 000

2. Commodities to be shipped.

Code No.	Commodity	Quantity		Estimated Value		
		Amended MT	Total to Date MT	Amended \$	Value Total to Date	
045.9015	Sorghum	5, 000	10, 000	\$515, 000	\$990, 000	

3. Estimated Ocean Transportation Costs.

Previous Total	Increase	Decrease	Total to Date
\$417, 375	\$417, 375		\$834, 750

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

ALL OTHER PROVISIONS REMAIN UNCHANGED.

APRIL 18, 1978

Date

E GREGORY KRYZA

FOR THE GOVERNMENT OF THE UNITED STATES

E. Gregory Kryza, *Ambassador of the United States*

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41 F.R. 47919-47927,

TIAS 9379

November 1, 1976 (incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

APRIL 18, 1978

AHMED OULD MOHAMED SALEH

Date

FOR THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF MAURITANIA

Ahmed ould Mohamed Saleh
Acting Minister of Rural Development

DEPARTMENT D'ETAT AGENCE DES ETATS UNIS POUR LE DEVELOPPE-
MENT INTERNATIONAL WASHINGTON, D.C. 20528

AUTHORISATION DE TRANSFERT

Classement. Programme d'Urgence des Vivres de Secours pour la sécheresse	Amendement No. 1 au Projet AID No. 682-045.9015-000-8612
Executive Vice Président Commodity credit Corporation U.S. Department of Agriculture Washington, D.C.	Date d'Approbation du Pro- gramme. le 27 Novembre 1977
	Amendement daté du
	Titre Programme d'Urgence des Vivres de Secours pour la Sécheresse – Mauritanie

En conformité avec les dispositions du titre II de la loi publique 480 (tel qu'elle est amendée), Section 2 du Décret Exécutif 10900, le Décret de Délégation des Pouvoirs du Département d'Etat No. 104 entré en vigueur le 30 septembre 1961, la "Commodity Credit Corporation" est autorisée par les présentes à transférer et à délivrer des CEREALES A LA MAURITANIE dont le montant ne doit pas dépasser \$990.000 conformément aux instructions ci-après.

OBJET DE L'AMENEMENT: Pour augmenter la quantité des céréales devant être envoyées en Mauritanie pour utilisation dans les activités de Secours à la Sécheresse. Les alinéas 1, 2 et 3 sont amendés pour refléter les céréales augmentées et l'augmentation du coût de transport maritime.

1. Quantité (Tonnes métriques ne devant pas dépasser)

Total Antérieur	Augmentation	Diminution	Total à ce jour
5. 000	5. 000		10. 000

2. Céréales à expédier:

Code No. Céréale	Quantité		Valeur approximative	
	Tonnes Métriques- Amaendées	Total à ce jour	\$Amendé	Montant de la valeur à ce jour
045. 9015 Sorgho	5. 000	10. 000	\$515. 000	\$990. 000

3. Coût Approximatif de Transport par Voie Maritime.

Montant Antérieur	Augmentation	Diminution	Montant à ce jour
\$417. 375	\$417. 375		\$834. 750

Tous les frais de transport par voie maritime conformément à ce programme, sans faire aucun cas du devis indiqué ci-dessus, seront imputés à l'autorisation générale du transfert de frêt No. 935-9500-000-8899. Une autorisation séparée de transfert de frêt maritime ne sera pas délivrée.

TOUTES LES AUTRES DISPOSITIONS RESTENT INCHANGEES

Date, le 18 AVRIL 1978

E GREGORY KRYZA

POUR LE GOUVERNEMENT DES ETATS UNIS
D'AMÉRIQUE

DEMANDE ET ACCEPTATION L'aide décrite dans cette autorisation est par les présentes demandée et les dispositions et conditions de cet accord et le règlement de l'AID No. 11, 41 F.R. 47919-47927 du 1 novembre 1976 (incorporé ci-joint pour référence), sauf disposition contraire prévu ci-dessus, sont par ces présentes acceptés.

Date, le 18 AVRIL 1978 **AHMED OULD MOHAMED SALEH**

POUR LE GOUVERNEMENT DE LA RÉPUBLIQUE
ISLAMIQUE DE MAURITANIE.

NIGER

Agricultural Commodities: Transfer Under Title II

*Agreement signed at Niamey April 25, 1978;
Entered into force April 25, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C. 20523

TRANSFER AUTHORIZATION

Program Classification:
Drought Emergency Food Assistance

AID No: 683-045.9015-000-8621

Program Approval Dated:
February 15, 1978

Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

Program Title: Drought Emergency
Food Assistance - Niger

In accordance with the provisions of Title II PL 480 (as amended), [¹] Section 2 of Executive Order 10900[²] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver FOOD GRAIN TO THE GOVERNMENT OF NIGER in an amount not to exceed \$515,000 pursuant to the following instructions:

1. Quantity - Metric tons not to exceed:

<u>Previous Total</u>	<u>Increase</u>	<u>Decrease</u>	<u>Total to Date</u>
5,000			5,000

2. Commodity to be shipped:

<u>Code</u>	<u>Commodity</u>	<u>Amount</u> <u>Metric Tons</u>	<u>Estimated</u> <u>Value \$</u>
045.9015	Grain Sorghum	5,000	\$515,000

3. Estimated Ocean and other Transportation Costs: \$1,050,000

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual ocean freight transfer authorization will not be issued.

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

4. Specifications:

Grain Sorghum - Grade No. 2 or better. Bagged 100 pounds net and/or bulk, bags accompanying

5. Shipping Instructions:

- A. Delivery Schedule: - Late March/Early April
- B. Ports of Discharge: - Apapa (Lagos); Cotonou and Abidjan To be designated at time of shipment.
- C. Points of Entry: - (Land-locked country) Niamey, Dosso, Zinder, Maradi as designated at time of discharge.
- D. Consignee: - Government of Niger: Office Des Produite Vivriers Du Niger (OPVN); Niamey, Niger

E. Send copy of Bills of Lading to:

- 1) First original and one copy to Consignee (OPVN, GON, Niamey) via Airmail
- 2) After ships loading: second original and one copy accompanying cargo to consignee
- 3) Third original and two copies to A.I.D. Transportation and Support Division, Office of Commodity Management, Washington, D. C. 20523, Att: Mr. R.E. James
- 4) Original and one copy U.S. Embassy, Niamey
- 5) One additional copy each to:
REDSO, Amembassy Abidjan
AmEmbassy, Cotonou
AmEmbassy, Lagos

6. Program Objectives, Use of Commodities and Conditions of Transfer:

The commodity authorized herein is contributed by the United States Government (USG) to the Government of Niger (GON) to assist in alleviating the shortage of food caused by drought.

TIAS 9380

- A. The commodity herein contributed is for (1) free direct distribution to victims of the drought unable to purchase food supplies. The rate of distribution is not to exceed the amount the recipient and his dependents can consume during the period for which the distribution is made; (2) for sale as necessary to cover emergency related food distribution expenses such as: (a) administrative costs; (b) end-use transportation; and as per conditions specified B, and C.

Proceeds from sales of such commodities will be deposited in a Special Account.

- B. Subject to GON guarantee that those persons unable to buy food will receive the U.S. contributed grain without cost, the GON may sell such grain not required for direct free distribution on the open market in food deficit areas at prices mutually agreed upon by the USAID, AmEmbassy, Niger and the GON.
- C. The specific uses of the local currency proceeds shall be agreed upon in writing between the GON and A.I.D. Office in Niamey, Niger. The GON agrees to provide a monthly report on all currencies generated under this agreement giving details of deposits and disbursements. All such amounts remaining unexpended after two years from date of deposit and accrued interest, if any, shall be deposited with U.S. Disbursing Officer, AmEmbassy, Niger.
- D. The GON will pay all storage, internal handling and transportation and distribution costs on the commodities herein provided for direct distribution in excess of the sums generated from the sales as authorized per B above.
- E. The USG will supply the commodities herein provided and pay ocean transport, inland transportation costs, and independent survey report costs, to designated points of entry in Niger.
- F. After the date of the AID/Washington approval of the project but before arrival of the authorized Title II commodities, the GON may borrow the same or similar commodities from local sources to meet the requirements of the project. Such of the commodities borrowed as are used in accordance with the terms of this Transfer Authorization may be replaced on an equivalent value basis with the Title II commodities furnished to the project.

G. The GON agrees to keep A.I.D. Niger fully informed concerning the status of commodity receipts, distribution and sales and will provide complete details, as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization. The GON further agrees to submit a monthly report to the A.I.D. Niger, no later than ten days following the end of the proceeding month to include the following:

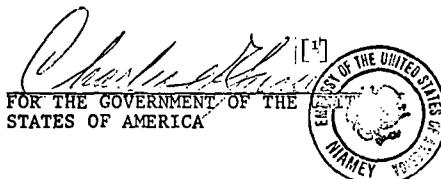
- a) Beginning stocks
- b) Arrivals
- c) Distributions
- d) Sales
- e) Damaged Stocks
- f) Ending Stocks

7. Amendment:

The above terms may be amended upon request of the GON, with the concurrence of the U.S.A.I.D., AmEmbassy Niger and with the cabled concurrence of AID/W.

4/25/78 APR 25 1978

Date



REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41F.R.47919-47927, November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

25/4/78

Date

FOR THE GOVERNMENT OF NIGER

¹ Charles A. James.

² M. Barba Sidikou.

NIGER
Rural Health Improvement

*Agreement signed at Niamey June 1, 1978;
Entered into force June 1, 1978.*

AID PROJECT NUMBER: 683-0208

PROJECT
GRANT AGREEMENT
BETWEEN
THE REPUBLIC OF NIGER
AND THE
UNITED STATES OF AMERICA
FOR
RURAL HEALTH IMPROVEMENT

Date: 1 June 1978

TABLE OF CONTENTS

PROJECT GRANT AGREEMENT

		[Pages herein]
Article 1:	The Agreement.....	1 3087
Article 2:	The Project.....	1 3087
SECTION 2.1	Definition of Project.....	1 3087
SECTION 2.2	Inoremental Nature of Project.....	2 3088
Article 3:	Financing.....	2 3088
SECTION 3.1	The Grant.....	2 3088
SECTION 3.2	Government Resources for the Project Implementation.....	2 3088
SECTION 3.3	Project Assistance Completion Date.....	2 3088
Article 4:	Conditions Precedent to Disbursement.....	3 3089
SECTION 4.1	First Disbursement.....	3 3089
SECTION 4.2	Disbursement for Vehicles, Equipment, Drugs and Pharmaceutical Products.....	4 3090
SECTION 4.3	Disbursement for Construction.....	4 3090
SECTION 4.4	Notification.....	4 3090
SECTION 4.5	Terminal Dates for Conditions Precedent.....	5 3091
Article 5:	Special Covenants.....	5 3091
SECTION 5.1	Administrative Structure of the Project.....	5 3091
Article 6:	Procurement Source.....	5 3091
SECTION 6.1	Foreign Exchange Costs.....	5 3091
SECTION 6.2	Local Currency Costs.....	5 3091
Article 7:	Disbursement.....	6 3092
SECTION 7.1	Disbursement for Foreign Exchange Costs.....	6 3092
SECTION 7.2	Disbursement for Local Currency Costs.....	6 3092
SECTION 7.3	Other Forms of Disbursement.....	7 3093
SECTION 7.4	Rate of Exchange.....	7 3093
Article 8:	Miscellaneous.....	7 3093
SECTION 8.1	Communications.....	7 3093
SECTION 8.2	Representatives.....	8 3094
SECTION 8.3	Standard Provision Annex ^[1]	8 3094
SECTION 8.4	Language of Agreement.....	8 3094

^[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

ANNEX 1

		[Pages herein]
A.	Project Design.....	9 3095
B.	Project Activities.....	9 3095
C.	Implementation.....	14 3100
D.	Financial Plan.....	15 3101
	Table 1 Project Obligations by Year.....	16 3102

PROJECT GRANT AGREEMENT

Between the Republic of Niger ("Government")

and

The United States of America, acting through the Agency for
International Development (AID)

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above with respect to the undertaking by the Government of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of the Project. The Project, which is described in more detail in Annex I, will consist of providing technical assistance, goods and other services to support the program of the Government so that it may provide health services to its rural population by:

- (a) Providing long and short-term training in the cooperating country and in third countries for village health teams, nurses, physicians, professional personnel, and health service workers.
- (b) Furnishing vehicles and vehicle maintenance support for the provision of supplies and supervisory services to rural health personnel.
- (c) Constructing a headquarters facility for the Ministry of Health (MOH) in the departments of Agadez and Zinder and of seven dispensaries in various locations to support the expansion of the rural health delivery system.
- (d) Providing drugs and supplies to village health teams and vaccines to enable the MOH to expand its immunization program.
- (e) Providing equipment and furnishings for existing dispensaries and health centers.
- (f) Improving sanitation facilities at dispensaries and health centers.
- (g) Furnishing instructional materials for village health teams.
- (h) Providing laboratory and refrigeration equipment for mobile medical units.
- (i) Furnishing long-term and short-term technical assistance to the Ministry of Public Health and Social Affairs.

SECTION 2.2 Incremental Nature of the Project

- (a) AID's contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1. of this Agreement. Subsequent increments will be subject to availability of funds to AID for this purpose, and to the mutual agreement of the Parties, at the time of subsequent increment, to proceed.
- (b) Within the overall Project Assistance Completion Date stated in this Agreement, AID, based upon consultation with the Government, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by AID under an individual increment of assistance.

Article 3: Financing

SECTION 3.1. The Grant. To assist the Government to meet the costs of carrying out the Project, AID pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to grant the Government under the terms of this Agreement an amount not to exceed Two Million United States dollars (\$2,000,000).

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project.

SECTION 3.2 Government Resources for the Project. The Government agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

SECTION 3.3 Project Assistance Completion Date.

- (a) The "Project Assistance Completion date" (PACD), which is December 31, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been furnished for the Project as contemplated in this Agreement.
- (b) Except as AID may otherwise agree in writing, AID will not issue or approve documentation which would authorize disbursement of Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement; subsequent to the PACD.

¹ 75 Stat. 424; 22 U.S.C. § 2151 note.

- (c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by AID or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as AID, agrees to in writing. After such period, AID, giving notice in writing to the Government, may at any time or times reduce the amount of the Grant.

Article 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by AID of documentation to which disbursement will be made, the Government will, except as the Parties may otherwise agree in writing, furnish to AID in form and substance satisfactory at AID:

- (a) A statement of the name of the person holding or acting in the office of the Government specified in Section 8.2, and any additional representatives, together with a specimen signature of each person specified in such statement.
- (b) Except as the parties may otherwise agree in writing, the Government shall furnish to AID, a work plan and accompanying budget breakdown for the first years activities in conformance with the general project outline and financial plan contained in Annex I to this Agreement.
- (c) Notification that a special account has been established in a bank of the Government's choice for the transfer and deposit of advances against local expenditures.
- (d) A description of the procedure for conducting semi-annual meetings to evaluate and assess the following aspects of the project:
 - 1) Evaluate the progress towards the attainment of the Project's objectives;
 - 2) Identify and evaluate problems or constraints which may inhibit the achievement of the Project objectives;
 - 3) Assess how observations may be used to help overcome such problems; and
 - 4) Evaluate to the degree feasible, the overall development of the Project.

SECTION 4.2. Disbursement for Vehicles, Equipment and Drugs and Pharmaceutical Products.

- (a) Prior to the disbursement under the grant for procurement of vehicles, equipment and drugs and pharmaceutical products, or to the issuance of documentation against which such disbursement will be made, the Government shall, except as the parties may otherwise agree in writing, furnish to AID in form and substance satisfactory to AID an executed contract for the services of a procurement agent which will procure such goods on behalf of the Government.
- (b) Prior to disbursement under the Grant for each category of commodity procurement, namely for vehicles, for equipment and for drugs and pharmaceutical products, or segment thereof, or to the issuance of documentation pursuant to which such disbursement will be made, the Government shall, except as the parties may otherwise agree in writing, furnish the following to AID in form and substance satisfactory to AID:
 - 1) Detailed specifications and bid documents for such category of commodity procurement or segment thereof; and
 - 2) An executed contract or contracts for such category of commodity procurement or segment thereof.

SECTION 4.3. Disbursement for Construction. Prior to the first disbursement under the Grant for each construction activity, or to the issuance of commitment documents with respect thereto, the Government will, except as the parties may otherwise agree in writing, furnish the following to AID, in form and substance satisfactory to AID:

- (a) An executed contract for engineering supervisory services, with a firm satisfactory to AID, for such activity or a description of the arrangements made for an agency of the Government to perform such services;
- (b) Plans and specifications, bid documents and time schedules for construction of such activity; and
- (c) An executed contract for construction services for such activity with a firm acceptable to AID.

SECTION 4.4. Notification. When AID has determined that the conditions precedent specified in Section 4.1, 4.2, and 4.3 have been met, it will promptly notify the Government.

SECTION 4.5. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this agreement, or such later date as AID may agree to in writing, AID, at its option, may terminate this Agreement by written notice to the Government.

Article 5: Special Covenant

SECTION 5.1. Administrative Structure of the Project.

- (a) The Government will select and appoint a senior-level Nigerien civil servant as Director of the Project. The Director, residing in Niamey, will supervise the implementation of the Project. The Director of the Project will be under the authority of the Minister of Public Health and Social Affairs. The latter will be in charge of implementation and have overall responsibility for the Project.
- (b) Outside of the funding provided by this Agreement, AID will designate a health specialist, who will reside in Niamey, to assist the AID Mission Director in the management of AID's contribution of goods and services to the Project and their use towards the attainment of the Project objectives described in Annex I. This AID specialist will act as AID advisor to the Project Director and will serve as Liason between AID and the Project Director's office.

Article 6: Procurement Source.

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in Code 941 of the AID Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services ("Foreign Exchange Costs"), except as AID may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1. (b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of Niger ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 7: Disbursement**SECTION 7.1. Disbursement for Foreign Exchange Costs.**

- (a) After satisfaction of conditions precedent, the Government may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:
 - 1) By submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in the Government's behalf for the Project; or,
 - 2) By requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.
- (b) Banking charges incurred by the Government in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless the Government instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs.

- (a) After satisfaction of conditions precedent, the Government may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in the Project Implementation Letters, requests to finance such costs.
- (b) The local currency needed for such disbursements may be obtained:
 - 1) By acquisition by A.I.D. with U.S. Dollars by purchase;

- 2) By A.I.D. (A) requesting the Government to make available the local currency for such costs, and (B) thereafter making available to the Government through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Government or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Government, which dollars will be utilized for procurement from the United States under appropriate procedures described in the Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b) (1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b) (2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Rate of Exchange. Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into the Republic of Niger by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Government will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of Niger at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of Niger.

Article 8: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Government:

Mail Address: Ministry of Public Health and Social Affairs
B.P. 623
Niamey, Republic of Niger

To A.I.D.:

Mail Address: USAID/Niger
B.P. 201
Niamey, Republic of Niger

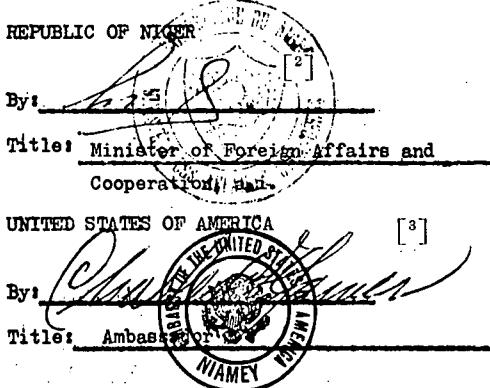
All such communications will be in French or English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Government will be represented by the individual holding or acting in the office of Minister of Health and Social Affairs and AID will be represented by the individual holding or acting in the office of Mission Director, USAID/Niger, each of whom, by written notice, may designate additional representatives for all purposes, other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Government, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

SECTION 8.4. Language of Agreement. This Agreement is prepared in both English and French. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the Republic of Niger 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.



¹ See footnote 1, p. 3085.

² Moumouni Adamau Djermakoye.

³ Charles A. James.

ANNEX I

DETAILED DESCRIPTION AND FINANCIAL PLAN OF THE PROJECT

A. Project Design

The purpose of this rural health project is to help the Government of Niger to carry on the implementation of its national public health program started during the Three-Year Program (1976-1978). The project constitutes a major cooperative effort to help to achieve certain major objectives of the country in view of offering to the rural population an adequate low-cost health system—i.e., a system which is responsive to the major health problems of the rural people. Further, this project will assist the government in extending health services to a greater number of villages over the next decade. After careful study, a five-year project has been developed which emphasizes two key elements of the national program:

- human resource development;
- support to health institutions

The emphasis placed by the Project in both areas will generate a viable rural health delivery system which demonstrates the value of prevention, early diagnosis, curative intervention, and of transferring the cases, if needed, to better fit centers. Given the existing conditions, it is projected that by 1982, through the inputs of this project, the continued support of other donors and the efforts of the Government, optimum health coverage will be extended to approximately 1,500 additional rural villages, representing 18.75 percent of the present rural population. In total, by 1982, 43.75 percent of the rural population of Niger should benefit from this major improvement in the health field.

B. Project Activities**I. Human Resource Development****a. Training****1. Third Country Participant Training**

As Niger continues to move beyond simple curative health care delivery, it is important that certain personnel receive advanced training and be informed of current health techniques. Given the limitations of in-country health training, provisions have been made to select personnel for special training courses in African countries such as Senegal, Togo, and Cameroon. Those selected for training will be senior level personnel in the Ministry of Health, teachers of health for ESSM, ENSP, ENIGAS, and logistic and maintenance personnel in government operations for health.

2. In-Country Continuing Education

Annual national conferences are planned. The Minister and the Secretary of State for Public Health and Social Affairs will have the ultimate responsibility for planning and conducting these meetings. These conferences are planned to give Ministry personnel the opportunity to share information and to discuss pertinent issues. The conference is also seen as a forum for continued health planning and a source for timely feedback on project progress and development.

It is also planned to hold departmental level seminars. These seminars are to be organized around problem solving and information sharing regarding regional issues.

3. Certified Nurses in Training

To meet the need of the increasing number of dispensaries as well as to allow at least two nurses to be stationed at each, the project allows for the training at ENICAS in Zinder of approximately 40 certified nurses (both men and women) each year for the next five years. At present, most dispensaries have only one nurse and must close whenever he or she makes a supervisory visit to the village health teams.

4. State Nurses in Training

Training is provided for approximately 20 State Nurses each year. State Nurses are responsible for the operation of the Medical Center and the supervision of dispensaries throughout the country. As dispensary level staff and VHT's increase in number it will be necessary to keep an appropriate balance between supervisors, staff and VHT's.

5. Medical Students in Field Training

In order to sensitize the medical students of the Niger School for Health Sciences to the health problems of the rural areas and thus create more effective practitioners, students will be given more effective, better adapted field training (through provision of technical materials, documentation, transport, etc.). The students will also participate in the evaluation of the project in its initial phase.

6. Environmental Health Workers in Training

To promote awareness and introduce proper techniques of environmental sanitation, training will be made available to 15 candidates in this field at ENICAS each year for the next five years. Upon completion of their training, these workers, assigned to medical centers at arrondissement headquarters, will be expected to give direct service to villages and to provide basic training to village health teams.

7. Village Health Team Training

In order to provide health coverage to 3,500 villages by 1982 (about 1,750,000 inhabitants), the project will allow for the training of approximately 1,500 new teams consisting of four members each. For the next five years and in keeping with existing program procedures of the Ministry of Health, the project will support a program of 15 days training. As indicated above it is suggested that the service membership of the team be expanded to four people, namely, two matrones and two secouristes.

8. Continuing Education and Retraining of Village Health Teams (VHT)

In addition to training recruits the project proposes to retrain VHT's. Every year, the Ministry will convene one-half of the VHT's at convenient locations where they will undergo advanced supervised training and receive updated health information. The emphasis will be on primary preventive information throughout this training period.

b. Technical Assistance

1. Automobile Mechanic Trainers

Over a five-year period of time, two auto-mechanic trainers will train approximately 50 Nigeriens in the field of automotive maintenance and repair. In addition, these technicians will assist in the development of a countrywide driver education program. They will be stationed in Niamey but will be available for consultation to other departments.

2. Medical Equipment Repair Trainer

To improve usage and to decrease the volume of impaired medical equipment, a trainer will instruct approximately 5 people per year in the care, servicing and maintenance of basic medical equipment. In addition, this technician will assist in procurement planning for medical equipment suitable for rural Niger. He will be stationed in Niamey but will be available to other departments for consultation.

3. Sanitary Engineers

In concert with the Ministry's effort to introduce and institutionalize the concept of primary prevention as a community function, two sanitary engineer technicians will train approximately 35 Nigeriens each year for five years. The training program should equip its graduates with the necessary skills and knowledge to initiate and implement community programs in the area of vector control, sewerage disposal, well maintenance as well as other elements of community sanitation. The engineers will also participate in designing a national hygiene and sanitation program. One will be stationed in

Niamey, the other in Zinder. Both will be available to other departments for consultation.

4. Short-Term Consultants

As experience is gained during the implementation of the rural health project, provisions will be made for the contracting of short-term consultants (up to six months). The open-option gives flexibility to the Ministry and will facilitate specific inputs as needs arise. Approximately thirty man-months have been allocated for this purpose. Local contracts with competent Nigerien consultants may be entered into.

II. Institutional Support

a. Equipment, Supplies and Materials

1. Logistical Equipment

In order to strengthen and give greater mobility to the existing rural health supervisory program—a key element in the health delivery system—the project permits the purchase of 48 four-wheel drive vehicles and 200 mobylettes (including spare parts at 25% of the cost).

2. Equipment and Supplies

In addition to their training, VHT's will be supplied with an adequate supply of drugs and materials for their kits. This is not intended to replace existing sources of procurement but is a supplement for the growing number of VHT's. Purchase will be made locally where possible.

3. Educational Materials with Replacements

The periodic changes in health program techniques and information require that VHT's, health centers, and dispensaries receive timely and relevant educational materials to be used for instruction in preventive health care. Explicit directions and instructions will accompany each shipment when personal contact is not possible.

4. Equipment for Garages

To support and sustain a viable transportation system the project makes provisions for a fully equipped garage in two areas of the country—Agadez and Zinder. These garages will be responsible for preventive and general maintenance for all health vehicles in their area. In addition to regular servicing, it is expected that the equipment will be used in the training program mentioned above.

5. Equipment for Medical Repair Workshop

For the Agadez and Zinder Department headquarters, provisions are made for creating a medical equipment repair capability. In keeping with the automotive program, these centers are expected to maintain and repair medical equipment of the area's health stations. This maintenance equipment will also be used to train maintenance technicians.

6. Laboratory Equipment, Cold Chain and Vaccines for Mobile Health Units

A complement of cold chain equipment and supply of vaccines is planned for the second year. Allotment of AID funds for this purpose will be contingent upon development of a detailed, agreed plan for use of the equipment and vaccines.

7. Furnishings and Equipment for Existing Health Facilities

Upon completion of an inventory at the existing 220 health facilities—dispensaries and health centers—the project will replace needed furnishings and equipment. In addition to the replacement program the project will provide seminars on facility care and maintenance.

b. Construction and/or Renovation of Health Care and Support Facilities.

1. Departmental Center

Construction of departmental health headquarters is planned at Agadez and Zinder. These facilities will include: a garage and medical equipment workshop, training center and offices for departmental health officials. These complexes will serve as control training sites and outlets for automotive and equipment repair.

2. Dispensaries

In accordance with the Government's desire to develop health facilities at a pace commensurate with the availability of trained manpower, seven dispensaries are planned. Actual construction will begin during the second year of the project. Completion is expected during the third year of the project.

3. Environmental Sanitation Improvements at Existing Dispensaries and Health Centers

At each health center and dispensary provision will be made for proper waste disposal, procurement of water (with proper storage) and appropriate vector control. Emphasis will be on clean and sterile environment at all health facilities so as to provide an exemplary atmosphere for villagers.

C. Implementation

The major activities of the project will take place over a five-year period of time in accordance with the schedule of events detailed below.

Implementation Schedule

<u>Date</u>	<u>Action</u>
May 1978	Grant Agreement signed
May 1978	Review and approval of Procurement Agency
May 1978	Review and approval of equipment specifications, Invitations for Bids (IFB's) and contract documents
June 1978	Initiate evaluation process
June 1978	Recruit Technicians
June 1978	Accounting procedure developed and implemented
June 1978	Vehicles and Mobylettes ordered
June 1978	Drugs for VHT's Ordered
June 1978	Audio and visual aids equipment ordered
July 1978	French Language training of technical assistance personnel (if needed)
July 1978	Warehouse, Transport system increased to accommodate expansion
July 1978	Develop student recruitment process: a. 3rd country participants b. In-country training for health personnel
July 1978	Develop plan for expanded VHT training
July 1978	Develop retraining cycles for VHT's
July 1978	Develop curricula and dates and participant list for conferences and seminars
July 1978	Develop training sites and review logistics requirements
July 1978	Plan rural field training program for medical students
July 1978	Construction sites identified
July 1978	Sites for sanitation improvement identified

July 1978 Technical assistance job description and sites assigned
July 1978 Nominations for training:
 a. 3rd country participants
 b. In-country training for health personnel
July 1978 Housing arrangements completed for TA personnel
July 1978 Identify Nigerien counterparts for technical assistance personnel
August 1978 Drugs, audio visual materials arrive
August 1978 Technical assistance personnel arrival and posting
August 1978 Order equipment and Furnishings:
 a. Equipment and furnishings for health centers and dispensaries
 b. Sanitary equipment
 c. Materials for departmental centers
Sept. 1978 Project review
Sept. 1978 Determine vehicle distribution
Sept. 1978 Review and approval of detailed plans and plan specifications and construction contracts.
Sept. 1978 Construction contracts signed
Oct. 1978 Land available and cleared for construction
Oct. 1978 Vehicles arrive
Oct. 1978 Construction equipment arrives at sites
Oct. 1978 Construction begins ~ departmental centers
 1. Agadez
 2. Zinder
Oct. 1978 Sanitation improvements begin
Nov. 1978 Recycle project plan and schedule
Jan. 1979 Order cold chain equipment
Jan. 1979 Construction of dispensaries
Feb. 1979 Vaccines ordered
April 1979 Arrival and distribution of cold chain equipment

D. Financial Plan

The following budget tables represent the estimated budget requirements for each of the various inputs. While the total AID contribution reflected in the cumulative obligation column may not be exceeded, the distribution of the funds within the budget remains an estimate and may be reallocated between sections or components upon mutual agreement between the representatives named in Section 8.2 of the Agreement through the issuance of Project Implementation Letters, provided that the basic objectives and plan of the project, as defined in this Annex and Section 2.1 of the Agreement remain unchanged.

FINANCIAL PLAN (\$000)	Cumulative Obligations		Future obligations planned per fiscal year						TOTAL					
	FY78		FY79			FY80			FY81		FY82	AID	CON	GON
	AID	CON	AID	CON	AID	CON	AID	CON	AID	CON	AID	AID	CON	GON
TRAINING														
Third Country Participant Training	50	3	55	5	60	6	66	7	73	9	304	30		
In Country Continuing Education	57	130	63	137	69	166	76	185	84	191	349	809		
Certified Nurses in Training	80	50	88	57	97	66	105	75	115	82	485	330		
State Nurses in Training	50	48	55	54	60	60	66	66	73	72	304	300		
Medical Students in Field Training	50	25	55	32	60	42	66	44	73	51	304	194		
Environmental Health Workers in Training	30	2	33	2	36	3	40	3	44	3	183	13		
Village Health Team Training	180	120	198	130	218	166	240	198	264	208	1100	822		
Continuing Education and Retraining of White	150	120	231	130	324	166	429	198	546	208	1680	822		
SUB-TOTAL	647	498	778	547	924	675	1088	776	1272	824	4709	3320		

FINANCIAL PLAN (\$ 000)	Cumulative Obligations		Future obligation planned per fiscal year						TOTAL			
	FY78		FY79		FY80		FY81		FY82			
	AID	GON	AID	GON	AID	GON	AID	GON	AID	GON		
<u>PERSONNEL-TECHNICAL ASSISTANCE</u>												
Auto Mechanic Trainers	130		288		316		346	1	190	1	1270	2
Medical Equipment Repair Trainers	65		144		158		173		95	1	635	1
Sanitary Engineers	130	1	288	2	316	1	346	3	190	3	1270	10
Specialized Consultants	100		55		60		66		73	1	354	1
SUB-TOTAL	425	1	775	2	850	1	931	4	548	6	3529	14
<u>INSTITUTIONAL SUPPORT</u>												
Four-wheel Drive Vehicles	158	85	92	96	326	115	112	128	438	139	1126	563
Mobylettes	55	27	77	30	145	32	27	34	29	37	333	160
SUB-TOTAL	213	112	169	126	471	147	139	162	467	176	1459	723
<u>EQUIPMENT & SUPPLIES</u>												
Drugs for Village Health Team	43	164	48	126	53	158	54	197	59	645	257	
Educational Materials with Replacement	20	10	36	12	32	15	28	17	46	18	162	72

FINANCIAL PLAN (\$ 000)	Cumulative Obligations		FY78		FY79		FY80		FY81		FY82		TOTAL	
	AID	GON	AID	GON	AID	GON	AID	GON	AID	GON	AID	GON	AID	GON
EQUIPMENT & SUPPLIES (cont.)														
Equipment for Two Garages	30	3		5	7		8		9		9		30	32
Equipment for Two Medical Equipment Repair Work Shops	10	4		5	5		7		9		9		10	30
Laboratory Equipment; Cold Chain Equipment for Mobile Medicine Units	14	100	17		19		20				22		100	92
Furnishing and Equipment for Existing Health Disp. and Health Centers	7	257	9	60	11	60	15		17		17		377	59
Vaccines for Mobile Units	87	220	91	442	96	245	98	293	101	1200	101	1200	473	
Local Office Support	23	2	30	3	20	3	21	3	21	4	4	115	15	
SUB-TOTAL	83	170	807	190	680	209	512	222	557	239	239	2639	1030	
CONSTRUCTION/RENOVATION														
Departmental Headquarters	607	150		163		176		219		222		607		930
New Dispensaries	262	473	278		327		382		466		472		800	1860
Environmental Sanitation Improvements	25	39	105	43	61	70	67	77	28	81	286		286	310
SUB-TOTAL	632	451	578	484	388	628	67	762	28	775	1693	1693	3100	
TOTAL	2000	1232	3107	1349	3313	1660	2737	1926	2572	2020	14029	8187		

PROJET AID N° 683-0208

ACCORD DE SUBVENTION

ENTRE

LA REPUBLIQUE DU NIGER

ET LES

ETATS-UNIS D'AMERIQUE

POUR LE PROJET

AMELIORATION DE LA SANTE RURALE.

Date : 7 JUIN 1978

TABLE DES MATIERES

ACCORD DE SUBVENTION POUR LE PROJET

	<u>Page</u>
Article 1 L'Accord	1
Article 2 Le Projet	1
Section 2.1 Définition du Projet	1
Section 2.2 Nature Progressive du Projet	2
Article 3 Financement	2
Section 3.1 Subvention	2
Section 3.2 Ressources du Gouvernement pour l'exécution du Projet	2
Section 3.3 Date d'Achèvement de l'Assistance au Projet	2
Article 4 Conditions à remplir avant le Décaissement	3
Section 4.1 Premier Décaissement	3
Section 4.2 Décaissement pour l'acquisition des véhicules, des équipements, des médicaments et des produits pharmaceutiques	3
Section 4.3 Décaissement pour l'acquisition des Services de Construction	4
Section 4.4 Notification	4
Section 4.5 Dates finales d'accomplissement des conditions sus-mentionnées	4
Article 5 Conventions particulières	5
Section 5.1 Structure Administrative du Projet	5
Article 6 Sources d'Achats	5
Section 6.1 Coûts en Devises	5
Section 6.2 Coûts en Monnaie Locale	5
Article 7 Décaissement	5
Section 7.1 Décaissement des Coûts en Devises	5
Section 7.2 Décaissement des Coûts en Monnaie Locale	6
Section 7.3 Autres formes de décaissement	7
Section 7.4 Taux de Change	7
Article 8 Divers	7
Section 8.1 Communications	7
Section 8.2 Représentants	7
Section 8.3 Annexe Relative aux Dispositions standard	8
Section 8.4 Libellé de l'Accord	8

	<u>Page</u>
<u>Annexe 1</u>	
A. Elaboration du Projet	9
B. Activités du Projet	9
C. Implantation	13
D. Plan Financier du Projet	16
Tableau I : Engagements du Projet par année	17

Projet de l'AID N° 683-0208
ACCORD DE SUBVENTION POUR PROJET

Entre : la République du Niger ("Gouvernement")
et les Etats-Unis d'Amérique, par l'intermédiaire de l'Agence
pour le Développement International ("A.I.D.").

Article 1 : L'Accord

L'objet du présent Accord est de détailler les attributions des parties sus-mentionnées ("Parties") quant à l'exécution par le Gouvernement du Projet décrit ci-dessous, et quant au financement du Projet par les Parties.

Article 2 : Le Projet

Section 2.1 - Définition du Projet, - Le Projet, qui est décrit plus en détail dans l'Annexe 1, consistera à fournir de l'Assistance Technique, des biens, et d'autres services pour supporter le Programme du Gouvernement lui permettant de fournir des services médicaux à sa population rurale, en :

- a) donnant une formation, à long et à court terme, à l'intérieur du pays et dans des pays tiers, aux équipes villageoises de Santé, aux infirmiers, aux physiciens, au personnel professionnel et aux travailleurs du Service de Santé.
- b) fournissant des véhicules et une aide pour leur entretien, pour faciliter le ravitaillement et la surveillance du personnel de la Santé rurale ;
- c) construisant un Siège pour le Ministère de la Santé (MS) dans les départements d'Agadez et de Zinder, et sept dispensaires dans diverses localités, afin de réaliser l'expansion du système de prestation des services sanitaires de base
- d) fournissant des médicaments et des approvisionnements aux équipes villageoises de Santé, et des vaccins pour permettre au Ministère de la Santé d'étendre son programme d'immunisation.
- e) fournissant des équipements et du mobilier aux dispensaires et aux centres médicaux
- f) améliorant les installations sanitaires dans les dispensaires et les centres médicaux existants.
- g) fournissant du matériel pour l'enseignement aux équipes villageoises de Santé
- h) fournissant des équipements de laboratoire et frigorifiques pour la Médecine Mobile.
- i) fournissant une assistance à long et à court terme au Ministère de la Santé Publique et des Affaires Sociales.

Section 2.2. Nature Progressive du Projet

- (a) La contribution de l'AID au Projet se fera progressivement par tranches, la première étant mise à disposition conformément à la Section 3.1 du Présent Accord. Des allocations ultérieures dépendront de la disponibilité des fonds de l'AID à cette fin, ainsi qu'à l'accord mutuel des Parties pour entreprendre ce Projet au moment d'une allocation ultérieure.
- (b) En ce qui concerne la date d'achèvement de l'assistance à ce Projet, énoncée dans le présent Accord, l'AID, après consultation avec le Gouvernement, peut préciser dans les lettres d'exécution du Projet, les périodes appropriées pour l'utilisation des fonds accordés par l'AID au titre d'une Allocation Individuelle d'Assistance.

Article 3 FinancementSection 3.1 : Subvention

Pour aider le Gouvernement à financer les coûts d'exécution du Projet, l'AID, conformément à la Loi de 1961 sur l'Aide Etrangère telle qu'elle a été amendée, accepte d'accorder une subvention au Gouvernement aux termes du présent Accord, pour un montant qui ne dépassera pas deux millions de dollars des Etats-Unis ("E.U.") (\$2 000 000).

La subvention peut être utilisée pour financer les coûts en devises comme défini à la Section 6.1 et les coûts en monnaie locale, comme défini à la Section 6.2, des biens et des services nécessaires à l'exécution du Projet.

Section 3.2 : Ressources du Gouvernement pour l'exécution du Projet

Le Gouvernement accepte de fournir - ou de faire fournir - pour l'exécution du Projet, tous les fonds, outre la subvention et toutes les autres ressources requises pour exécuter efficacement et en temps voulu ledit Projet.

Section 3.3 : Date d'Achèvement de l'Assistance au Projet

- (a) La "date d'achèvement de l'Assistance au Projet" (DAAP), soit le 31 Décembre 1982, ou toute autre date dont les Parties peuvent convenir par écrit, est la date à laquelle les Parties estiment que les services financés au titre de la subvention auront été fournis pour l'exécution du Projet, comme l'envisage le présent Accord.
- (b) A moins que l'AID n'en convienne autrement par écrit, elle ne publiera ni n'approvera de documents qui autoriseraient le décaissement de la subvention pour la prestation de services exécutés après la DAAP ou pour les biens fournis aux fins du Projet comme l'envisage le présent Accord, après cette date.
- (c) Les demandes de décaissement, accompagnées de pièces justificatives nécessaires qui indiquent les lettres d'exécution du Projet, doivent parvenir à l'AID ou à la Banque mentionnée à la Section 7.1 au plus tard neuf (9) mois après la DAAP ou toute

période dont l'AID convient par écrit. Après cette date, l'AID, après avoir envoyé son avis écrit au Gouvernement, peut à n'importe quel moment réduire le montant de la subvention de tout ou partie de ce montant pour lequel les demandes de décaissement accompagnées de pièces justificatives nécessaires qu'indiquent les lettres d'exécution du Projet, n'ont pas été reçues avant l'arrivée à expiration de ladite date.

Article 4 : Conditions à remplir avant le Décaissement

Section 4.1 : Premier Décaissement

Avant le premier Décaissement effectué au titre de la subvention, ou avant la publication par l'AID de documents en vertu desquels le Décaissement sera fait, le Gouvernement, à moins que les Parties n'en décident autrement par écrit, fournira à l'AID, sous une forme et dans un fond établis à la satisfaction de l'AID :

- (a) une déclaration du nom de la personne représentant le Gouvernement ou agissant en son nom, comme l'indique la Section 8.2, et de tout autre représentant ainsi qu'une signature spécimen de chaque personne dont le nom figure dans ladite déclaration.
- (b) à moins que les Parties n'en conviennent autrement par écrit, le Gouvernement fournira à l'AID un programme de travail et un budget détaillé, concernant l'exécution des activités de la première année, conformément à l'esquisse générale du Projet et le plan financier contenus dans l'Annexe 1 de cet Accord.
- (c) Notification qu'un compte spécial est ouvert au nom du Projet dans une Banque que le Gouvernement aura choisi pour le transfert et le dépôt des avances sur les dépenses locales.
- (d) une description des procédures à suivre pour les réunions semestrielles afin d'évaluer les aspects suivants du Projet :
 1. Evaluer l'état d'avancement du Projet vers ces objectifs,
 2. identifier et évaluer les problèmes ou les contraintes qui peuvent entraver la réalisation des objectifs fixés,
 3. Evaluer la manière dont les observations peuvent être utilisées pour contribuer à résoudre ces problèmes, et
 4. Evaluer, dans la mesure du possible, le développement global du Projet.

Section 4.2 : Décaissement pour l'acquisition des véhicules, des équipements, des médicaments et des produits pharmaceutiques

- (a) Avant le décaissement effectué au titre de la subvention, pour l'achat des véhicules, des équipements, des médicaments et des produits pharmaceutiques, ou avant la publication par l'AID de documents en vertu desquels le décaissement sera fait, le Gouvernement, à moins que les Parties n'en décident autrement par écrit, fournira à l'AID, sous une

forme et dans un fond à la satisfaction de l'AID, un contrat pour les services d'un agent d'acquisition pour effectuer une telle acquisition des biens au nom du Gouvernement.

- (b) Avant le Décaissement effectué au titre de la Subvention, pour l'acquisition de chaque catégorie de marchandises, à savoir les véhicules, les équipements, les médicaments, et les produits pharmaceutiques, ou autres, ou avant la publication de documents en vertu desquels un tel décaissement sera effectué, le Gouvernement, à moins que les Parties n'en conviennent autrement par écrit, fournira les documents suivants, à l'AID, sous une forme et dans un fond à la satisfaction de l'AID :
1. Les Cahiers des Charges détaillés, et les documents d'Appel d'Offres pour l'acquisition de cette catégorie de marchandises, ou une partie, et
 2. Un contrat ou des contrats signés en vue de l'acquisition d'une telle catégorie de marchandises, ou une partie.

Section 4.3 : Décaissement pour l'acquisition des Services de Construction

Avant le premier décaissement effectué au titre de la subvention pour chaque activité de construction, ou avant la publication de documents d'engagement, le Gouvernement, à moins que les Parties n'en décident autrement par écrit, fournira les documents suivants à l'AID, sous une forme et dans un fond à la satisfaction de l'AID :

- (a) un contrat exécuté pour l'acquisition des services de contrôle par les ingénieurs, et passé avec une entreprise acceptable par l'AID, capable d'accomplir cette tâche ; ou une description des mesures prises par une agence du Gouvernement pour exécuter ces services ;
- (b) les plans, les Cahiers des Charges, les documents d'Appel d'Offres, les calendriers relatifs à la construction concernant cette activité ; et
- (c) un contrat signé pour l'acquisition des services de construction concernant cette activité, et passé avec une entreprise acceptable par l'AID.

Section 4.4 : Notification : Lorsque l'AID a établi que les conditions mentionnées aux sections 4.1 et 4.2 et 4.3 ont été remplies, elle en notifiera rapidement le Gouvernement.

Section 4.5 - Dates finales d'Accomplissement des conditions sus-mentionnées

Si toutes les conditions mentionnées à la section 4.1 n'ont pas été remplies dans les 90 jours qui suivent la date de signature du présent Accord, ou à une date ultérieure dont les Parties peuvent convenir par écrit l'AID a la faculté de mettre fin au présent Accord par avis écrit envoyé au Gouvernement.

Article 5. - Convention Spéciale**Section 5.1 - Structure Administrative du Projet**

(a) Le Gouvernement choisira et nommera un fonctionnaire Nigérien de haut niveau, en qualité de Directeur du Projet. Le Directeur ayant sa résidence à Niamey, supervisera l'exécution du Projet; Le Directeur du Projet sera placé sous l'autorité du Ministre de la Santé Publique et des Affaires Sociales. Celui-ci sera "maître d'oeuvre" et aura la responsabilité générale du Projet.

(b) Hors du cadre financier de cet Accord, l'AID désignera un expert de la Santé qui résidera à Niamey pour aider le Directeur de la Mission de l'USAID dans la gestion des biens et des services fournis par l'AID au Projet, et son utilisation pour parvenir aux objectifs du Projet décrits dans l'Annexe 1. L'expert servira en qualité de conseiller auprès du Directeur du Projet; et également de liaison entre l'AID et la Direction du Projet.

Article 6. - Sources d'Achats**Section 6.1 - Coûts en devises**

Conformément à la section 7.1, les décaissements seront uniquement utilisés pour financer les coûts des biens et des services requis pour l'exécution du Projet et ayant leur source et origine dans le Code Géographique 941 de l'AID, entrant en vigueur au moment des commandes ou des contrats concernant ces biens et services ("coûts en devises"), et à moins que l'AID n'en convienne autrement par écrit, et à moins que la Section C.1 (b) de l'Annexe sur les dispositions-types de la subvention pour Projet n'en stipule autrement quant à l'assurance maritime.

Section 6.2. - Coûts en Monnaie locale

Conformément à la Section 7.2 les décaissements seront uniquement utilisés pour financer les coûts des biens et des services nécessaires à l'exécution du Projet, ayant leur source et leur origine au Niger, à moins que l'AID n'en convienne autrement par écrit ("coûts en monnaie locale"). Dans la mesure où le présent Accord le stipule, les "coûts en monnaie locale" peuvent également inclure la fourniture des ressources en monnaie locale requise pour l'exécution du Projet.

Article 7 - Décaissement**Section 7.1 - Décaissement des coûts en devises**

(a) Après avoir rempli avec satisfaction les conditions susmentionnées, le Gouvernement peut obtenir le décaissement des fonds au titre de la subvention pour le financement des coûts en devises des biens et services nécessaires à l'exécution du Projet et ce conformément aux termes du présent Accord, par le jeu des méthodes ci-après qui ont été convenues d'un commun accord :

(1) En présentant à l'AID, accompagnées des pièces justificatives nécessaires comme le stipulent les lettres d'exécution du Projet, (A) les demandes de remboursement de ces biens et services, (B) les demandes d'achat à l'AID des biens et des services au nom du Gouvernement pour l'exécution du Projet ; ou

(2) en demandant à l'AID d'émettre des lettres d'engagement pour des montants donnés (A) à une ou plusieurs banques des Etats-Unis, acceptables à l'AID, engageant l'AID à rembourser cette banque ou ces banques pour les paiements effectués par elle à des entrepreneurs ou fournisseurs, dans le cadre d'une Lettre de Crédit ou autrement, pour l'achat de ces biens et services, ou (B) directement à un ou plusieurs entrepreneurs, par des Lettres de Crédit ou autrement, pour l'achat de ces biens ou services.

(b) les frais bancaires encourus par le Gouvernement quant à ces lettres d'engagement et lettres de crédit seront financés au titre de la subvention, à moins que le Gouvernement n'instruise l'AID de faire le contraire; Les autres frais dont les Parties peuvent convenir peuvent également être financés dans le cadre de la subvention;

Section 7.2 - Décaissement des coûts en monnaie locale

(a) Après avoir rempli avec satisfaction les conditions susmentionnées, le Gouvernement peut obtenir les décaissements des fonds au titre de la subvention pour le financement des coûts en monnaie locale nécessaires à l'exécution du Projet, conformément aux termes du présent Accord, en soumettant à l'AID, accompagnées des pièces justificatives requises comme le stipulent les lettres d'exécution du Projet, les demandes de financement de ces coûts.

(b) la monnaie locale requise pour ces décaissements peut être obtenue :

1. par l'acquisition par l'AID en dollars E.U. par achat, ou
2. Par l'AID, (A) en demandant au Gouvernement de rendre disponible la monnaie locale requise pour financer ces coûts, et (B) en mettant à disposition du Gouvernement pour l'ouverture ~~ou~~ 1'amendement de lettres de crédit spéciales en faveur du Gouvernement ou de son mandataire, un montant en dollars E.U. équivalant au montant en monnaie locale rendu disponible par le Gouvernement dollars qui seront utilisés pour les achats aux Etats-Unis dans le cadre de procédures appropriées décrites dans les lettres d'exécution du Projet.

L'équivalent en dollars de la monnaie locale rendu disponible au titre de la subvention sera, dans le cas de l'alinéa (b) (1) ci-dessus, le montant en dollars des E.U. requis par l'AID pour obtenir la monnaie locale, et dans le cas de l'alinéa (b) (2) ci-dessus, un montant calculé au taux de change indiqué dans le mémoire d'exécution de la Lettre spéciale de Crédit applicable à la date d'ouverture ou d'amendement de la Lettre de Crédit spéciale.

Section 7.3. - Autres formes de décaissement : les décaissements de la subvention peuvent également s'effectuer par d'autres moyens dont les parties peuvent convenir par écrit.

Section 7.4 - Taux de Change : Sauf indication particulière prévue à la Section 7.2, si les fonds fournis dans le cadre de la subvention sont introduits dans la République du Niger par l'AID ou par un organisme public ou privé, pour satisfaire aux obligations de l'AID, le Gouvernement prendra les mesures nécessaires pour s'assurer que ces fonds peuvent être transformés en monnaie locale de la République du Niger au taux de change le plus élevé, qui à l'époque de la conversion, n'est pas illégal dans la République du Niger.

Article 8 - Divers

Section 8.1. Communications : Tout avis, demande, document, ou autre communication présenté par une Partie à l'autre dans le cadre du Présent Accord sera présenté par écrit, télégramme ou câble et sera considéré comme remis ou envoyé lorsqu'il parviendra à la partie intéressée à l'adresse ci-après :

Au Gouvernement :

adresse : Ministère de la Santé Publique
et des Affaires Sociales
B. P.
Niamey, République du Niger

A l'A.I.D. :

adresse : USAID/Niger
B. P. 201
Niamey, République du Niger

Toutes les communications devront être soit en anglais, soit en français, à moins que les Parties n'en conviennent autrement par écrit. D'autres adresses peuvent remplacer les adresses ci-dessus sur avis de l'intéressé.

Section 8.2 - Représentants : Aux fins du présent Accord, le Gouvernement sera représenté par une personne occupant le poste ou agissant au nom du Ministre de la Santé Publique et des Affaires Sociales, et l'AID sera représentée par une personne occupant le poste ou agissant au nom du Directeur de Mission de l'USAID/Niger, chacun d'eux pouvant, par avis écrit, désigner d'autres représentants à toutes les fins autres que celles d'exercer le pouvoir au titre de la Section 2.1, de réviser les éléments de la description détaillée à l'Annexe 1. Les noms des représentants du Gouvernement, accompagnés de signatures spécimens, seront communiqués à l'AID, qui peut accepter comme dûment agréé, n'importe quel instrument signé par ces représentants en application du présent Accord, jusqu'à réception de l'avis écrit de révocation de leur autorité.

Section 8.3 - Annexe relative aux dispositions standard

Une "Annexe relative aux dispositions standard" régissant la subvention pour le Projet (Annexe 2) figure ci-joint au présent Accord et en fait partie.

Section 8.4 - Libellé de l'Accord

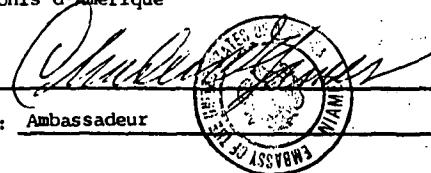
Le présent Accord est préparé en anglais et en français. En cas d'ambiguïté ou de conflit entre les deux versions, la version en anglais seule fera foi.

EN FOI DE QUOI la République du Niger et les Etats-Unis d'Amérique, chacune agissant par l'intermédiaire de son Représentant délégué accrédité, ont fait signer le présent Accord en leur nom; et l'ont fait remettre à la date de l'année sus-mentionnée.

République du NIGER

par : Titre : Ministre des Affaires Etrangères
et de la Coopération

Etats-Unis d'Amérique

par : Titre : Ambassadeur

Annexe 1DESCRIPTION DETAILLEE ET PLAN FINANCIER DU PROJETA. Elaboration du Projet

1. Le but de ce Projet de Santé Rurale est d'aider le Gouvernement du Niger à poursuivre la réalisation de son Programme National de Santé Publique, commencé au cours du Programme Triennal 1976/1978. Ce Projet constitue un important effort de coopération pour aider à atteindre certains objectifs prioritaires dans le pays, en vue d'offrir à la population rurale un système approprié de soins médicaux au meilleur prix. C'est-à-dire un système qui puisse aider à répondre aux principaux problèmes de santé des ruraux. En outre, ce Projet doit permettre au Gouvernement d'étendre des services sanitaires à un nombre plus grand de villages pendant les 10 prochaines années. Après une étude minutieuse, un Projet a été élaboré pour une période de 5 ans, et il met en relief deux éléments-clés du Programme National :

- Développement des Ressources Humaines
- Aide aux Institutions Sanitaires

2. L'accent mis par le Projet sur ces deux aspects doit permettre de fournir un système viable d'intervention médicale en milieu rural, qui démontre la valeur de la prévention, du premier diagnostic, de l'intervention curative, et de transférer les cas graves, si nécessaire, sur d'autres centres mieux équipés. Compte-tenu de la situation qui prévaut, l'on envisage que d'ici 1982, par les apports de ce Projet, le maintien de ceux d'autres donateurs, et les efforts du Gouvernement, le champ d'application optimum des soins médicaux atteindra au total environ 1 500 villages ruraux nouveaux, représentant 18,75 % de la population rurale actuelle. Au total, en 1982, 43,75 % de la population rurale du Niger devrait bénéficier de cette amélioration importante apportée dans le domaine de la santé.

B. Activités du Projet1. Développement des Ressources Humainesa) Formation- Formation de participants en pays tiers

Au fur et à mesure que le Niger s'achemine au-delà de la simple application de soins médicaux curatifs, il est important qu'un certain personnel reçoive une formation avancée, et soit au courant des techniques nouvelles, réalisées dans le domaine de la santé. Etant donné les limites de la formation au Niger, il est prévu, dans le cadre du Projet, de sélectionner des personnes qui suivront des cours spéciaux dans des centres de formation existant dans les pays africains, tels que le Sénégal, le Togo ou le Cameroun. Ceux qui seront choisis pour une telle formation devront être des Cadres Supérieurs de la Santé, des enseignants de la Santé des ESSM, ENSP, ENICAS, et du personnel de logistique et d'entretien travaillant dans les opérations gouvernementales de Santé.

2. Education continue au Niger

Des Conférences Nationales sont prévues annuellement. Le Ministre et le Secrétaire d'Etat à la Santé Publique et aux Affaires Sociales auront la responsabilité finale de programmer et de diriger ces réunions. Ces conférences sont destinées à donner au personnel du Ministère l'occasion de se communiquer des renseignements; et de discuter des points particuliers. La conférence est également prévue être un forum pour un planning continu de la santé, et en même temps une source opportune d'évaluation du progrès et du développement du Projet.

Il est également prévu d'organiser des séminaires au niveau du Département. Ils seront centrés sur la résolution des problèmes et les partages de renseignements concernant les situations des régions.

3. Formation d'infirmiers ou d'infirmières diplômés

Pour répondre aux besoins croissants des dispensaires, et leur permettre d'avoir en permanence au moins deux infirmiers ou infirmières chacun, le Projet prévoit la formation à l'ENICAS de Zinder, de près de 40 infirmiers ou infirmières diplômés chaque année, au cours des cinq prochaines années. Actuellement, la plupart des dispensaires n'ont qu'un seul infirmier, et sont obligés de fermer lorsque le préposé effectue une visite de contrôle auprès des Equipes Villageoises de Santé (EVS).

4. Formation d'infirmiers ou d'infirmières d'Etat

La formation de près de 20 infirmiers ou infirmières d'Etat est prévue chaque année. Ceux-ci sont responsables du fonctionnement des Centres Médicaux, et de la surveillance des dispensaires sur toute l'étendue du territoire. Au fur et à mesure que le nombre du personnel des dispensaires et des EVS augmente, il est indispensable de garder un certain équilibre entre les surveillants, le personnel encadré et les EVS.

5. Formation pratique des étudiants en médecine

Pour sensibiliser les étudiants en médecine de l'Ecole des Sciences de la Santé sur les problèmes de Santé en milieu rural, et les rendre plus aptes à y travailler, les stages qu'ils effectuent sur le terrain reçoivent un encadrement plus efficace et adapté (fournitures de matériels techniques, de documentation, de moyens de transport...). Ces étudiants participeront en outre à l'évaluation du Projet dans sa phase initiale.

6. Formation d'Agents d'Hygiène Sanitaire pour l'Environnement

Pour susciter une prise de conscience, et introduire des techniques correctes assurant l'hygiène sanitaire de l'environnement, 15 candidats seront formés chaque année à l'ENICAS, au cours des 5 prochaines années. En fin de formation ces agents, affectés dans les Centres Médicaux des chefs-lieux d'Arrondissement, pourront offrir leurs services directement aux villages, et donneront une formation de base aux Equipes villageoises de Santé.

7. Formation d'Equipes Villageoises de Santé

Pour couvrir 3.500 villages en 1982 au point de vue sanitaire, (soit environ 1 750 000 habitants), ce Projet va permettre la formation d'environ 1 500 équipes comprenant 4 personnes. Au cours des cinq prochaines années, et en conservant les procédures actuelles du Ministère de la Santé, le Projet comportera un programme de formation sur environ 15 jours. Comme mentionné ci-dessus, on a suggéré que l'équipe de soins soit composée de 4 personnes, soit 2 matrones et 2 secouristes.

8. Formation continue et recyclage des Equipes Villageoises de Santé

Outre la formation des nouvelles équipes, le Projet propose le recyclage des équipes villageoises de santé existantes. Chaque Année, le Ministère de la Santé devra en convoquer la moitié, en des lieux d'accès aisés, pour recevoir une formation accélérée et contrôlée, et les dernières informations sanitaires. Les soins préventifs de base seront particulièrement abordés au cours de toute la période de formation.

b. Assistance Technique

1. Instructeurs en mécanique automobile

Pendant 5 ans, deux instructeurs en mécanique automobile formeront environ 50 Nigériens dans la partie entretien et réparation des véhicules. En outre, ces techniciens devront aider au développement du Programme National d'Education pour les chauffeurs. Ils résideront à Niamey, mais resteront à la disposition des autres départements.

2. Instructeur en réparation d'équipement médical

Pour augmenter leur temps d'utilisation, et éviter qu'une quantité d'appareils médicaux soient endommagés, un instructeur éduquera 5 personnes par an, pour réparer, réviser et entretenir l'équipement médical de base. Ce technicien devra également aider à la programmation des achats d'un équipement médical convenant au Niger rural. Il résidera à Niamey, mais restera à la disposition des autres départements en cas de besoin.

3. Techniciens des Services Sanitaires

Pour soutenir l'effort du Ministère de la Santé dans l'introduction et la propagation du concept de prévention primaire comme fonction communautaire, deux techniciens des Services Sanitaires devront former environ 35 Nigériens par an sur cinq ans. La formation reçue devrait donner à ces diplômés les compétences et les connaissances leur permettant d'initier et d'implanter des programmes communautaires de contrôle des insectes et rongeurs propagateurs de maladies, d'aménagement des égouts, d'entretien des puits, et tous autres éléments concernant la santé communautaire. Ils participeront également à l'élaboration d'un programme national d'hygiène et d'assainissement. L'un résidera à Niamey, l'autre à Zinder. Ils devront répondre aux besoins des autres départements.

4. Consultants à court terme

Suite à l'expérience acquise au cours de l'implantation du Projet de Santé Rurale, des dispositions seront prises pour engager des consultants à court terme (jusqu'à 6 mois). Cette option laisse au Ministère de la Santé une grande marge, qui facilitera l'engagement des consultants pour des besoins précis. Trente hommes/mois environ sont prévus. Les Nigériens compétents pourront obtenir des contrats locaux dans ce domaine.

II - Soutien des Institutions

a) Equipement, fournitures et matériels

1. Equipement logistique

Pour renforcer le programme de surveillance sanitaire en milieu rural et lui donner une plus grande souplesse, qui est un élément-clé dans le système d'intervention sanitaire, le Projet permet de commander 42 véhicules tout-terrain, 200 mobylettes (achat local), des pièces de rechange pour les véhicules représentant une dépense égale à 25 % du coût de ces véhicules.

2. Equipement et fournitures

Après leur formation, les équipes villageoises de santé recevront une quantité convenable de médicaments et de matériels pour leurs trousse médicales. Ceci ne se substituera pas aux sources existantes d'approvisionnement, mais constituera un supplément, étant donné l'accroissement des EVS. Dans la mesure du possible, les achats devront se faire au Niger.

3. Matériel éducatif et de remplacement

Les changements périodiques des techniques et des informations s'adressant au programme sanitaire exigent que les EVS, les centres médicaux et les dispensaires prennent possession rapidement du matériel éducatif correct, devant être utilisé pour l'instruction des soins sanitaires préventifs. Les modes d'emploi et les instructions détaillées devront accompagner chaque expédition, lorsque le contact personnel est impossible.

4. Aménagement des garages

Pour financer et soutenir un système de transports viable, le Projet prend toutes dispositions pour aménager entièrement un garage dans chacune des deux régions suivantes : Agadez et Zinder. Ces garages seront chargés de l'entretien à titre préventif, et après utilisation de tous les véhicules de la Santé dans leur zone respective. On utilisera cet équipement pour les révisions régulières, et dans le programme de formation cité ci-dessus.

5. Aménagement d'un atelier de réparations d'équipement médical

Un centre de réparation d'équipement médical sera créé pour les Sièges des départements de Zinder et d'Agades. De même que pour le programme du parc automobile, il est prévu que ces centres réviseront et répareront l'équipement médical des stations locales de la Santé. Ils serviront en outre pour former des techniciens pour réparer cet équipement.

6. Equipement de laboratoire, matériel frigorifique, et vaccins pour les Unités Fixes et Mobiles de la Santé

Un complément d'équipement frigorifique et d'approvisionnement en vaccins est prévu pour la deuxième année. L'allocation des fonds de l'AID prévus à cet effet dépendra de l'élaboration d'un programme commun détaillé, pour l'utilisation des équipements et des vaccins.

7. Mobilier et équipement pour les équipes sanitaires existantes

Après inventaire dans les 220 unités existantes, dispensaires et centres médicaux - le Projet remplacera le mobilier et l'équipement selon les besoins. Outre le programme de remplacement, le Projet prévoira des séminaires concernant les soins et l'entretien du matériel..

b. Construction et/ou rénovation des Centres Médicaux

1. Centres départementaux

La construction des Sièges départementaux de la Santé est prévue à Agadez et à Zinder. Ces bâtiments comprendront : un garage et un atelier pour l'équipement médical, un centre de formation, et des bureaux pour les cadres du département de la Santé. Ces complexes serviront de centre principal pour la formation et d'atelier pour la réparation des véhicules utilitaires et de l'équipement.

2. Dispensaires

Conformément au souhait du Gouvernement qui désire développer la formation sanitaire par rapport à la disponibilité des cadres qualifiés, sept dispensaires sont prévus. Leur construction débutera au cours de la deuxième année du projet. Ils seront terminés au cours de la troisième année du Projet.

3. Amélioration de l'Hygiène Sanitaire de l'Environnement dans les Dispensaires et Centres Médicaux existants.

On prendra des dispositions dans chaque centre médical ou dispensaire pour éliminer les détritus de manière convenable, pour être approvisionné en eau (avec une réserve d'eau suffisante), et pour se protéger efficacement contre les insectes et les rongeurs. On insistera pour que l'environnement des bâtiments médicaux soit particulièrement propre et sain, pour donner aux villageois un exemple visible.

c. Implantation

Les principales activités du Projet s'étaleront sur cinq ans, conformément au Calendrier des activités détaillées ci-après. Ce calendrier comprend deux parties : 1) les dates indiquant le moment approximatif de ces activités, - 2) l'activité par elle-même, décrite en termes généraux.

PLAN D'EXECUTION

<u>Date</u>	<u>Action</u>
Mai 1978	Signature de l'Accord de Subvention
Mai 1978	Examen et Approbation de l'Agence d'Acquisition des Biens
Mai 1978	Examen et approbation des Cahiers des Charges, des Appels d'Offres et des documents de contrats
Juin 1978	Initier le processus d'évaluation
Juin 1978	Recrutement des Techniciens
Juin 1978	Développement et Exécution du Procédé de Comptabilité
Juin 1978	Commandes des véhicules et des Mobylettes
Juin 1978	Commandes des médicaments pour les Equipes Villageoises de Santé
Juin 1978	Commande de l'équipement d'aide audio-visuelle
Juillet 1978	Formation en langue française du personnel d'assistance technique (si nécessaire)
Juillet 1978	Systèmes d'entreposage et de transports accrus pour aider l'extension
Juillet 1978	Elaborer le processus de recrutement des participants a. pour formation en pays tiers b. pour formation sur place pour le personnel de la Santé
Juillet 1978	Elaborer un programme de recyclage pour les Equipes Villageoises de Santé
Juillet 1978	Etablir les programmes d'études, les dates et les listes des participants devant assister aux séminaires et aux conférences
Juillet 1978	Développer les lieux de formation et étudier les besoins
Juillet 1978	Planifier le programme de formation en zone rurale pour les étudiants en médecine
Juillet 1978	Localisation des lieux de construction
Juillet 1978	Localisation des lieux pour l'amélioration sanitaire
Juillet 1978	Description des tâches des assistants techniques et assignation des emplacements
Juillet 1978	Nominations effectuées pour la formation a. participants en pays tiers b. sur place pour le Personnel de la Santé

<u>Date</u>	<u>Action</u>
Juillet 1978	Affectation de logements pour le personnel d'Assistance Technique
Juillet 1978	Identification des homologues Nigériens du personnel d'Assistance Technique
Août 1978	Réception des médicaments et du matériel audio-visuel
Août 1978	Arrivée du personnel d'Assistance Technique et son affectation
Août 1978	Commandes de l'équipement et du mobilier <ul style="list-style-type: none"> a. pour les centres médicaux et les dispensaires b. équipement sanitaire c. matériel pour les centres départementaux.
Septembre 1978	Nouvel examen du Projet
Septembre 1978	Déterminer la répartition des véhicules
Septembre 1978	Examen et approbation des plans, spécifications et contrats pour les constructions
Septembre 1978	Signature des contrats pour les constructions
Octobre 1978	Parcelles disponibles prêtées pour les constructions
Octobre 1978	Réception des véhicules
Octobre 1978	Réception du matériel de construction sur les lieux
Octobre 1978	début de la construction des centres du département à : <ul style="list-style-type: none"> 1. Agadez 2. Zinder
Octobre 1978	début de l'amélioration de l'hygiène sanitaire
Novembre 1978	élaboration du programme pour les années suivantes
Janvier 1979	Commande de l'équipement frigorifique
Janvier 1979	Construction des dispensaires
Février 1979	Commande des vaccins
Avril 1979	Réception et distribution des équipements frigorifiques.

D. Plan Financier

Les Tableaux du Budget, inclus ci-après, représentent les estimations des besoins budgétaires pour chacun des différents intrants. Alors que la contribution totale de l'AID, reflétée dans la colonne "engagements cumulatifs" ne peut pas être dépassée, la répartition des fonds dans la rubrique du budget reste une estimation, et peut être ré-attribuée entre les sections ou les composantes, par accord mutuel entre les représentants nommés dans la section 8.3 de l'Accord, par la publication de lettres d'exécution du Projet, dans la mesure où les objectifs de base et le plan du Projet tels qu'ils sont définis dans cette annexe et la section 2.1 restent inchangés.

Les Engagements Futurs prévus par Année Fiscale

PLAN FINANCIER (\$000)	Engagements Cumulatifs pour l'Exercice 78 AID GON	Année Fiscale 79		Année Fiscale 80		Année Fiscale 81		Année Fiscale 82		TOTAL	
		AID	GON	AID	GON	AID	GON	AID	GON	AID	GON
FORMATION											
1. Formation des Stagiaires dans des pays tiers	50	3	55	5	60	6	66	7	73	9	304
2. Education continue à l'intérieur du pays	57	130	63	137	69	166	76	185	84	191	349
3. Infirmiers certifiés en formation	80	50	88	57	97	66	105	75	115	82	485
4. Infirmiers diplômés d'Etat en formation	50	48	55	54	60	60	66	66	73	72	304
5. Etudiants en médecine en formation sur le terrain	50	25	55	32	60	42	66	44	73	51	304
6. Travailleurs d'hygiène sanitaire de l'environnement en formation	30	2	33	2	36	3	40	3	44	3	183
7. Equipes villageoises de Santé en formation	180	120	198	130	218	166	240	198	264	208	1160
8. Education continue et recréation des équipes villageoises de santé	150	120	231	130	324	166	429	198	546	208	1680
Sous-Total	647	498	778	547	924	675	1088	776	1272	824	3320

Les Engagements Futurs prévus par Année Fiscale

	PLAN FINANCIER (5000)	Engagements Cumulatifs 78		Année Fiscale 79		Année Fiscale 80		Année Fiscale 81		Année Fiscale 82		TOTAL
		AID	GON	AID	GON	AID	GON	AID	GON	AID	GON	
<u>PERSONNEL DE L'ASSISTANCE TECHNIQUE</u>												
1. Instructeurs en mécanique	130		288			316		346		190	1	1270
2. Instructeur en Réparation du matériel de santé	65		144		158		173		95	1	635	1
3. Ingénieurs en technique sanitaire	130	1	288	2	316	1	346	3	190	3	1270	10
4. Consultants spécialisés	100		55		60		66		73	1	354	1
Sous-Total	425	1	775	2	850	1	931	4	548	6	3529	14
<u>SUPPORT DEPARTEMENTAL</u>												
1. Véhicules-tous-terrains	158	85	92	96	326	115	112	128	438	139	1126	563
2. Mobylettes	55	27	77	30	145	32	27	34	29	37	333	160
Sous-Total	213	112	169	126	471	147	139	162	467	176	1459	723

PLAN FINANCIER (\$000)	Engagements Futurs prévus par Année Fiscale															
	Engagements Cumulatifs 78				Année Fiscale 79				Année Fiscale 80				Année Fiscale 81		Année Fiscale 82	
	AID	CON	AID	CON	AID	CON	AID	CON	AID	CON	AID	CON	AID	CON	AID	CON
Matériel & Fournitures																
1. Médicaments pour Equipes de santé villageoises	43	164	48	126	53	158	54	197	59	645	257					
2. Matériel d'Enseignement	20	10	36	12	32	15	28	17	46	18	162	72				
3. Equipment de deux garages	30	3			5	7		8		9	30	32				
4. Equipment de deux centres médicaux																
ateliers de réparation du matériel sanitaire	10	4			5	5		7		9	10	30				
5. Equipment de laboratoire, équipement frigorifique pour la Médecine Mobile	14	100	17		19	20		20		22	100	92				
6. Mobilier et Equipment des dispensaires et des Centres médicaux existants	7	257	9	60	11	60	15		17	377	59					
7. Vaccins pour les sections mobiles	87	220	91	442	96	245	98	293	101	1200	473					
8. Support local de bureau	23	2	30	3	20	3	21	3	21	4	115	15				
Sous-Total	83	170	807	190	680	209	512	222	557	239	2639	1030				

PLAN FINANCIER (\$'000)	Engagements Futurs Prévus par Année Fiscale						TOTAL Année Fiscale 82	
	Engagements Cumulatifs			Année Fiscale 79				
	Pour 1978		AID	GON	AID	GON		
CONSTRUCTION/RENOVATION								
1. Sièges départementaux	607	150		163	176	219	607	
2. Nouveaux dispensaires		262	473	327	382	466	472	
3. Amélioration de l'hygiène sanitaire de l'Environ- nement	25	39	105	43	61	70	77	
Sous-total	632	451	578	484	388	628	81	
TOTAL	2000	1232	3107	1349	3313	1660	2872	
							2020	
							14029	
							8187	

TIAS 9381

CAPE VERDE

Agricultural Commodities: Transfer Under Title II

*Agreement signed May 22, 1978;
Entered into force May 22, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

Drought Emergency Food Assistance AID. No. 659-044.0020-000-8602

**Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C. 20250**

**Program Approval Dated:
November 10, 1977**

**Program Title: Drought
Emergency Food Assistance**

Program Approval Dated:
November 10, 1977

Program Title: Drought Emergency Food Assistance Cape Verde

In accordance with the provisions of Title II, PL 480 (as amended),[1] Section 2 of Executive Order 10900[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Food GRAIN TO THE GOVERNMENT OF CAPE VERDE in an amount not to exceed dollars 1,590,000 pursuant to the following instructions:

- 1. Quantity – Metric tons not to exceed:**

Previous Total	Increase	Decrease	Total to Date
	15,000		15,000

- 2. Commodity to be shipped:**

Code	Commodity	Amount Metric Ton	CCC Value \$	Export Market Value
044.0020	Corn	15, 000	\$1, 590, 000	

3. Estimated Ocean Transportation Costs: \$1,407,000

All actual ocean transportation expenditures under this program

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

26 Fed. Reg. 143.

regardless of the estimate shown above, are to be charged to the Blanket Freight Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

4. Specifications:

Corn 15,000 MT - Bagged 100 pounds net. USDA specifications.

5. Shipping Instructions:

A. Delivery Schedule and Port of Discharge:

- (1) 4,000 MT for Praia and 4,000 MT for Mindelo to arrive early January.
- (2) 4,000 MT for Praia and 3,000 MT for Mindelo to arrive early February.

B. Consignee: Ministry of Economic Coordination, Republic of Cape Verde, Praia, Cape Verde.

C. Send copies of Bills of Lading to:

- (1) Original and 2 copies to Consignee via airmail.
- (2) Original and 2 copies to Consignee accompanying cargo.
- (3) Original and 2 copies to SER/COM/TR, Agency for International Development, Washington, D.C., 20523, Attn: R. E. James.
- (4) Original and 2 copies to AmEmbassy, Guinea-Bissau via airmail.
- (5) One copy to USAID/Senegal, C/O American Embassy, Dakar, Senegal, Attn: Food for Peace Officer.

6. Program Objectives, Use of Commodities and Conditions of Transfer

The commodity authorized herein is contributed by the United States Government (USG) to the Government of the Republic of Cape Verde (GOCV) to assist in alleviating the shortage of food caused by drought.

- A. The commodities herein contributed are for (1) free direct distribution to victims of the drought unable to purchase food supplies. The rate of distribution is not to exceed the amount the recipient and his dependents can consume during the period for which the distribution is made; (2) for sale as specified B.**
- B. Subject to GOCV guarantee that those persons unable to buy food will receive the U.S. contributed grain without cost, the GOCV may sell such grain not required for direct free distribution on the open market in food deficit areas at prices mutually agreed upon by the USAID, AmEmbassy, Bissau and the GOCV.**
- C. The specific uses of the local currency proceeds shall be agreed.**

upon in writing between the GOCV and A.I.D. office in Guinea-Bissau. The GOCV agrees to provide a monthly report on all currencies generated under this agreement giving details of deposits and disbursements. All such amounts remaining unexpended after two years from date of deposit and accrued interest, if any, shall be deposited with U.S. disbursing officer, AmEmbassy, Guinea-Bissau.

- D. The GOCV will pay all storage, internal handling and transportation and distribution costs on the commodities herein provided for direct distribution in excess of the sums generated from the sales as authorized per B. above.
- E. The USG will supply the commodities herein provided and pay ocean transport, and independent survey report costs, to designated point of entry in Cape Verde.
- F. After the date of the AID/Washington approval of the project but before arrival of the authorized Title II commodities, the GOCV may borrow the same or similar commodities from local sources to meet the requirements of the project. Such of the commodities borrowed as are used in accordance with the terms of this transfer authorization may be replaced on an equivalent value basis with the Title II commodities furnished to the project.
- G. The GOCV agrees to keep A.I.D. Bissau fully informed concerning the status of commodity receipts, distribution and sales and will provide complete details, as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this transfer authorization. The GOCV further agrees to submit a monthly report to the A.I.D. Bissau, no later than ten days following the end of the preceding month to include the following:
 - A) Beginning Stocks
 - B) Arrivals
 - C) Distributions
 - D) Sales
 - E) Damaged Stocks
 - F) Ending Stocks

7. Amendment

The above terms may be amended upon request of the GOCV, with the concurrence of U.S.A.; I.D., AmEmbassy Bissau and with the cabled concurrence of AID/W.

5/22/78

Date

EDWARD MARKS

FOR THE GOVERNMENT OF THE UNITED
STATES OF AMERICA

TIAS 9382

REQUEST AND ACCEPTANCE: This authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41F. R.47919-47927, November 1, 1976 (Attached and incorporated herein by reference) except as otherwise specifically provided herein are hereby accepted.

5/22/78
Date

JOSE BRITO

FOR THE GOVERNMENT OF THE REPUBLIC
OF CAPE VERDE

CHAD

Agricultural Commodities: Transfer Under Title II

*Agreement signed at N'Djamena June 2, 1978;
Entered into force June 2, 1978.*

DEPARTMENT OF STATE
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 Washington, D.C. 20523

TRANSFER AUTHORIZATION

Program Classification: Drought Emergency Food Assistance AID No. 677-047.0250-000-8607

Program Approval Dated:
 February 15, 1978

Executive Vice President
 Commodity Credit Corporation
 U.S. Department of Agriculture
 Washington, D.C. Program Title Drought Emergency Food Assistance - Chad

In accordance with the provisions of Title II PL 480 (as amended),^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver FOOD GRAIN TO THE GOVERNMENT OF CHAD in an amount not to exceed \$1,736,000 pursuant to the following instructions.

1. Quantity - Metric tons not to exceed:

<u>Previous Total</u>	<u>Increase</u>	<u>Decrease</u>	<u>Total to Date</u>
8,000			8,000

2. Commodity to be shipped:

<u>Code</u>	<u>Commodity</u>	<u>Amount</u> <u>Metric Tons</u>	<u>Estimated</u> <u>Value \$</u>
047.0250	Soy-Fortified Sorghum Grits	8,000	\$1,736,000

3. Estimated Ocean and Other Transportation Costs \$1,790,000

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual ocean freight transfer authorization will not be issued.

¹ 88 Stat. 457, 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 148.

4 Specifications

Soy Fortified Sorghum Grits in 50 pound bags
USDA specifications

5 Shipping Instructions

B) Port of Discharge Douala

C) Points of Entry (Landlocked country)

(Bamileke County),
N'djamena, Lai, Doba, Bebedjia,
Gore, Baibokoum, Sarh, Maro,
Koumra, Moissala and Kayabe.

D) Consignee Government of Chad
Direction pour la Lutte contre les Calamites
Naturelles (DLCCN) Ndjamena, Chad

E) Send copy of bills of lading to

1 First original and one copy to consignee via airmail

2 After ship's loading second original and one copy either accompanying cargo to consignee or via airmail within 24 hours.

3 Third original and one copy to the U S Consulate
in Douala.

4 Fourth original and two copies to A.I.D
Transportation Support Division, Office of Commodity
Management Washington, D C 20523,
ATTN Mr R. E James

5 Two copies U S Embassy N Djamena Chad
Attention. A.I.D Comptroller

6 One copy each to
REDSO, AmEmbassy Abidjan
AmEmbassy Yaounde

6. Program Objectives, Use of Commodities and Conditions of Transfer

The commodities authorized herein are contributed by the USG to the Government of Chad to assist in alleviating the shortage of food caused by prolonged drought, primarily in the southern portions of the country

- A. The commodity herein contributed is for (1) free direct distribution to victims of the drought unable to purchase food supplies. The rate of distribution is not to exceed the amount the recipient and his dependents can consume during the period for which the distribution is made, (2) for sale and as per conditions specified paragraphs B, and C.

Prior to the arrival of the first commodities in N'Djamena, the GOC will submit a plan of distribution to the American Embassy, N'Djamena indicating the areas of the country where the foods will be stored and utilized.

The GOC agrees to inform the American Embassy/N'Djamena of the general rules it will follow in determining the eligibility of recipients of free distributions. Distributions to eligible recipients shall be made without discrimination and, to the maximum extent possible, the GOC will inform the recipients that these foods have been furnished by the people of the United States to the Chadian people.

- B. Subject to GOC guarantee that those persons unable to buy food will receive the U.S. contributed grain without cost, the GOC may sell up to 50% of such grain not required for direct free distribution on the open market in food deficit areas at prices mutually agreed upon by the USAID, AmEmbassy, Chad and the Government of Chad.

Proceeds from sales of such commodities will be deposited in a Special Account.

- C. The specific uses of the local currency proceeds will be for support of relief activities that directly impact on alleviating the causes of the food shortage and shall be agreed upon in writing between the Government of Chad and A.I.D. Office in N'djamena, Chad. The GOC agrees to provide a monthly report on all currencies generated under this agreement giving details of deposits and disbursements. All such amounts remaining unexpended after two years from date of deposit and accrued interest, if any shall be deposited with U.S. Disbursing Officer, AmEmbassy Chad.

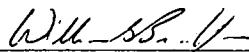
- D. The GOC will pay all internal storage, handling, transportation and distribution costs on the commodities herein provided for direct distribution in excess of the sums generated from the sales as authorized per B and C above.
- E. The USG will supply the commodities herein provided and pay ocean transport, inland transportation costs, and independent survey report costs to designated points of entry in Chad.
- F. After the date of the AID/Washington approval of the project but before arrival of the authorized Title II commodities, the GOC may borrow the same or similar commodities from local sources to meet the requirements of the project. Such of the commodities borrowed as are used in accordance with the terms of this Transfer Authorization may be replaced on an equivalent value basis with the Title II commodities furnished to the project.
- G. The GOC agrees to keep A.I.D. Chad fully informed concerning the status of commodity receipts, distribution and sales and will provide complete details, as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization. The GOC further agrees to submit a monthly report to the A.I.D. Chad, no later than ten days following:
- a) Beginning stocks
 - b) Arrivals
 - c) Distributions
 - d) Sales
 - e) Damaged Stocks
 - f) Ending Stocks

7 Amendment:

The above terms may be amended upon request of the GOC, with the concurrence of U.S.A.I.D., AmEmbassy Chad and with the cabled concurrence of AID/W.

2 June 1978

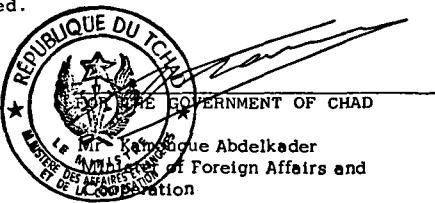
Date


FOR THE GOVERNMENT OF THE UNITED
STATES OF AMERICA

Ambassador William G. Bradford

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41F.R.47919-47927, November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

June 2, 1978
Date



UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

Agricultural Commodities: Transfer Under Title II

*Agreement signed at Kinshasa June 29 and 30, 1978;
Entered into force June 30, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

Refugee Feeding	AID No. 660-XXX-000-8625
Executive Vice President Commodity Credit Corporation U.S. Department of Agriculture Washington, D.C.	Program Approval Dated: May 22, 1976
	Program Title: Emergency Re- lief - Feeding of Angolan Refugees

In accordance with the provisions of Title II, PL 480 (as amended),^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Agricultural Commodities to THE UNITED NATIONS HIGH COMMISSION FOR REFUGEES (UNHCR) in an amount not to exceed \$380,500 pursuant to the following instructions:

1. Quantity - Metric tons not to exceed

Previous Total	Increase	Decrease	Total to Date
	3,300		3,300

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

2. Commodity to be shipped:

Code	Commodity	Amount Metric Tons	Estimated Value
045. 9015	Sorghum	3, 200	\$329, 600
022. 2040	NFDM	100	50, 900

3. Estimated Ocean Transportation Costs: \$300,000

All actual ocean transportation expenditures under this program regardless of the estimate shown above, are to be charged to the Blanket Freight Transfer Authorization No. 935-9500-000-8899.

4. Specifications:

Grain Sorghum - Grade No. 2 or better. Bagged 100 pounds net and/or bulk, bags accompanying. U.S.D.A. specifications.

Nonfat Dry Milk - Bagged 50 pounds net. USDA specifications.

5. Shipping Instructions:

- A. Delivery Schedule: As soon as possible.
- B. Port of Discharge: Matadi, Zaire
- C. Consignee: Regional Representative, United Nation High Commission for Refugees, Kinshasa, Zaire
- D. Send copy of Bills of Lading to:
 - 1) First original and one copy to consignee via airmail.
 - 2) After ships loading: second original and one copy accompanying cargo to consignee.
 - 3) Third original and two copies to A.I.D. Transportation and Support Division, Office of Commodity Management, Washington, D.C. 20523, Attn: Mr. R. E. James.
 - 4) Original and one copy to USAID/Kinshasa, c/o American Embassy, Kinshasa, Zaire via airmail.
 - 5) One copy to Regional Food for Peace Officer, REDSO/WA, c/o American Embassy, Abidjan, Ivory Coast, Attn: Mr. W. Nicholson.

6. Program Objective and Distribution of Commodities:

The commodity authorized herein is contributed by the United States Government (USG) to the UNHCR to assist in emergency relief feeding of Angolan refugees in Zaire. No portion of the commodity is authorized for sale. A portion of this commodity may, however, be used on a one to one basis to replace stocks already issued for free distribution for refugee feeding.

- A. The Regional Representative of the UNHCR agrees to keep USAID/Kinshasa fully informed concerning the status of commodity receipts and distribution. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization.
- B. The Regional Representative further agrees to submit a summary report upon final distribution of commodity provided by this Transfer Authorization, including amount of commodity received, distributed, spoilage, if any, and number of recipients.

7. Amendment:

The above terms may be amended upon request of the UNHCR, with concurrence of the USAID, Amembassy Kinshasa, and with the concurrence of AID/W.

JUNE 29, 1978
Date

FERMINO J SPENCER
FOR THE GOVERNMENT OF THE
UNITED STATES
Director, USAID

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 33FR2918, 1968 (attached and incorporated herein by reference) except as otherwise specifically provided herein are hereby accepted.

30 JUNE 1978
Date

GILES SICOTTE
FOR THE UNITED NATIONS HIGH
COMMISSION FOR REFUGEES
*Regional Representative for
Central Africa.*

PERU

Agricultural Commodities: Transfer Under Title II

Agreement signed at Lima July 19, 1978;

Entered into force July 19, 1978.

And amending agreement

Signed at Lima July 19, 1978;

Entered into force July 19, 1978.

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

School Feeding	AID No. 527-XXX-000-8653
Executive Vice President	Program Approval Date:
Commodity Credit Corporation	February 17, 1978
U.S. Department of Agriculture	Program Title: School Feeding
Washington, D.C.	Program

In accordance with the provisions of Title II, PL 480 (as amended),^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver agricultural commodities listed below to PERU in an amount not to exceed \$2,446,633 pursuant to the following instructions:

1. Quantity – Metric tons not to exceed:

Previous Total	Increase	Decrease	Total to Date
	6,002		6,002

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

2. Commodities to be provided as follows:

Code No.	Commodity	Amount Metric Tons	Value \$
048. 8440	Instant CSM	1, 147	\$ 453, 065
048. 1110	S.F. Bulgur	966	198, 030
046. 0020	S.F. Flour	1, 089	263, 538
421. 2040	Vegoil	400	310, 400
022. 2040	N.F. Dry Milk	2, 400	1, 221, 600
Total		6, 002	\$2, 446, 633

3. Estimated U.S. Government Ocean Transportation Costs:
\$393,000

All actual ocean transportation expenditures under this program, regardless of estimate shown above, are to be charged to Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

4. Specifications:

- Wheat flour - Soy-Fortified Bread Flour, enriched and bleached, bagged 50 lbs.
- Bulgur - Soy-Fortified, bagged 50 lbs. net.
- Instant CSM - Blended food product, bagged 50 lbs. net.
- Vegetable Oil - Edible, salad type, in 1 gallon cans.
- Non-fat Dry Milk - powdered form, fortified, bagged in 50 lbs. net.

5. Shipping Instructions:

- A. Delivery Schedule: ASAP
- B. Ports of Discharge: To be advised.
- C. Consignee:
Direccion de Alimentacion
Ministerio de Salud
OCECO/PAE
Independencia 560
Lima 17, Peru
- D. Inspection: Vessels shall be inspected prior to loading grain and/or grain products to assure that the storage spaces to be used are clean, free from insect infestation, and suitable for the grain and/or grain products authorized herein.

6. Program Objectives and Use of Commodities:

- A. The commodities authorized herein are contributed by the United States to the Government of Peru in support of its

efforts to continue the national primary school feeding program during the 1978 school year. The program approved herein covers all of the 1978 school year.

- B. The program approved herein shall be carried out under the direction and supervision of the Government of Peru through the School Feeding Program Division of the Ministry of Public Health and Social Welfare.
- C. The Government of Peru, through the School Feeding Program Division, shall be responsible for all internal costs entailed in the implementation of the program approved herein.
- D. The program will provide a breakfast or lunch to approximately 500,000 primary school students. The total commodity requirement for one school year is 10,950 metric tons. Expansion of the school lunch program will be based upon additional commodities provided through the central school feeding program division, i.e. (P.A.E.) and through the local community school Father's Clubs. (Clubes Des Padres).
- E. The commodities authorized herein shall not be used as payment-in-kind to processor(s) for services rendered and the total quantity of Title II commodities supplied to the processor(s) shall be returned in the end product to be distributed to recipients eligible under the program approved herein.
- F. The commodities furnished by the United States are a continuation of interim assistance to the National School Lunch program; such assistance is designed to assist the Government of Peru through its current financial difficulties, which presently preclude its locally purchasing total commodities, adequate and sufficient to accept full responsibility for the program's continuation.
- G. This notwithstanding, the Government of Peru recognizes that its full responsibility for total food inputs remains the common objective to both parties of this agreement and that during the forthcoming school year maximum effort will be given to increase the procurement of local commodities, both at the central funding and local contribution levels.

Therefore, in implementing the program approved herein, the Government of Peru, through the School Feeding program division agrees to:

7. Administration:

- a. Provide an adequate budget for the effective administration and supervision of the program at the National Provincial and Administrative level; which ensures periodic end-use inspections at both provincial and individual school levels.
- b. To assure adequate supervision and to further promote increased local food contributions on the part of individual fathers clubs, that P.A.E. will increase the number of full time field promoters/inspectors by at least 2 per school region.

- c. To undertake during the school year a systematic tabulation of local school committee (Father's Clubs) contributions nationwide; further, on the basis of size, community resources, and capabilities, to classify these school with food contribution norms or quotas designed to progressively maximize their local resource inputs in the future.
- d. Offer guidance and training to teachers, food supervisors, cooks, and volunteer workers in food preparation and serving, nutrition education, school lunch administration and logistics, and related subjects;

8. Commodity Surveillance:

- a. Arrange for processing the Title II commodities supplied herein into different end products only on the basis of written agreements, with such processors and subject to the prior approval of the agreements by USAID/Peru;
- b. Develop and maintain a monitoring system which shall ensure that the operations of the program are under continuous review from the point at which the Title II commodities authorized hereunder enter the country until consumed by the eligible recipients;
- c. Carry out in each Department participating in the program an effective and uniform monthly reporting system on (a) inventories, distribution and utilization of the Title II commodities authorized herein; and (b) numbers of recipients by schools receiving such commodities;
- d. Designate approx. 80% of 2400 MT of Non-Fat Dry Milk (1900 MT) for distribution to schools within the Metropolitan area of Lima as a supplement to their regular school lunch or breakfast.

9. Reporting:

- a. Conduct at least one comprehensive internal audit annually, or a series of audit examinations which, when combined, will represent a complete examination of the Title II program;
- b. Submit quarterly reports to USAID/Peru, in a format prescribed by USAID/Peru, on the operation of the program, showing for each Department or Coordination (a) kinds and quantities of Title II commodities received and utilized, and inventories on hand; (b) the actual number of recipients served during the reporting period; and (c) the sale of containers and proceeds therefrom per paragraph G below;
- c. Make available to USAID/Peru for its review copies of internal audit reports and end-use inspections per 6) and 7) above;
- d. Provide USAID/Peru with copies of the executed agreements for processing of any of the Title II commodities supplied hereunder per 3) above

10. Transportation:

- a. The U.S. Government (USG) will be responsible for all costs incurred in the procurement, inspection and delivery of the commodities authorized herein F.A.S. vessel at designated U.S. ports.
- b. The USG will be responsible for arranging ocean transportation and payment of freight for 75 percent of the commodities required to be shipped on U.S. flag vessels to comply with P.L. 664 (Cargo Preference Act). The Government of Peru (GOP) will be responsible for arranging ocean transportation and payment of freight for the balance of the commodities (USG would be agreeable to book and to perform forwarding services for any such cargo). The USG will prior approve as to vessel name, loading date (laydays in the case of charters) and loading rate (where applicable) for all bookings by the GOP.
- c. Pursuant to paragraphs 7a, 7b, and 7c, (see page 3) of this agreement, the responsibility of the Government of Peru for paying ocean freight for the commodities cited herein is reduced from 50% to 25% of the total payments required, provided that the balance of funds effected by this reduction will be re-allocated by the Government of Peru as direct support to the school lunch division for specific application towards establishing additional promotor positions cited in para 7b, including their necessary transportation and per diem traveling expenses.
- d. Dispatch and demurrage:
 - 1) At loading ports: Dispatch and demurrage for U.S. financed vessels is for the account of the USG. Dispatch and demurrage for GOP financed vessels is for the account of the GOP except demurrage incurred as a result of USG failure to position cargo so that the vessel can commence loading within its laydays and load continuously is for the account of the USG.
 - 2) At discharge ports: Dispatch earned on USG financed vessels is to be retained by the USG. Dispatch earned on GOP financed vessels is for the account of the GOP. Demurrage for all vessels is for the account of the GOP.
- e. General Average: The USG will respond in general average and process and retain proceeds of ocean freight claims on USG financed vessels. The GOP will respond in general average on GOP financed vessels and will process and retain proceeds of ocean freight claims arising on such vessels.
- f. Pursuant to Regulation 11, Section 211.9(c), the GOP will arrange for an independent cargo discharge survey and will furnish to the USAID/Peru, within 30 days after discharge, a copy of all such discharge survey and outturn reports.

11. Port Charges: The GOP, with respect to that portion of the commodities carriage cost financed by the USG, shall open an irrevocable letter of credit within fifteen days of the date on which it signs this Transfer Authorization, in favor of and acceptable to the Commodity Credit Corporation (CCC) of the U.S. Department of Agriculture in an amount no less than ten percent of anticipated freight costs under berth terms. The credit shall be payable upon presentation by CCC to the U.S. bank which issued or confirmed such letter of credit of a draft(s) accompanied by a copy(ies) of the applicable Public Voucher for Transportation Charges (Standard Form 1113) and a written statement that the amount is due CCC for ocean freight costs under the provisions of Transfer Authorization 527-XXX-000-8653 such amount to be ten percent of the ocean freight charges under berth terms shown on the accompanying respective applicable charter party(ies). The letter of credit will be available for drawings by CCC for at least 180 days after the date of the last shipment of the commodity authorized herein.

7-19-1978

Date

HARRY W SHLAUDEMAN

FOR THE GOVERNMENT OF THE UNITED
STATES

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41 F.R. 47919-47927 November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

7-19-1978

Date

J RADBILL

FOR THE GOVERNMENT OF PERU

[AMENDING AGREEMENT]

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

School Feeding

Amendment No. 1
AID No. 527-XXX-000-8653

Executive Vice President

Program Approval Date:
April 12, 1978Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.Program Title: School
Feeding Program

In accordance with the provisions of Title II, PL 480 (as amended), Section 2 of Executive Order 10900 and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver agricultural commodities listed below to PERU in an amount not to exceed \$2,446,633 pursuant to the following instructions:

PURPOSE OF AMENDMENT: Whereas owing to financial constraints imposed on the GOP to a degree unforeseen at the time of the original preparation of this transfer authorization, the paragraphs of this agreement pertaining to ocean freight costs, including those of port charges, are amended as follows:

7. Administration (Amendment)

- b. To assure adequate program implementation and control and, to further promote local food contribution on the part of the individual fathers clubs, that PAE will increase the number of supervisory visits per school region as compared to 1977.

8. Commodity Surveillance (Amendment)

- d. Designate approximately 30% of 2,400 MT of Non-Fat Dry Milk (720 MT) for distribution to schools within the Metropolitan area of Lima, specially schools located in "Pueblos Jovenes."

10. Transportation (Amendment)

- b. The United States Government will be responsible for arranging and payment of all commodities required for this program, to be shipped on U.S. flag vessels to comply with P.L. 664 (Cargo Preference Act).
- c. The Government of Peru will allocate from other sources of funds to be developed in consultation with the USAID Mission

in Lima sufficient funds to the school lunch division to increase program supervision cited in para. 7b, including necessary transportation and per diem traveling expenses.

d. Dispatch and demurrage:

- 1) At loading ports: Dispatch and demurrage for all shipments in U.S. financed vessels is for the account of the USG.
- 2) At discharge ports: Dispatch earned on USG financed vessels is to be retained by the USG.

e. General Average: The USG will respond in general average and process and retain proceeds of ocean freight claims on USG financed vessels.

11. Port Charges: The USG shall be responsible for the payment of all anticipated freight costs under berth terms at Peruvian ports amounting to approximately \$660,000.

ALL OTHER PROVISIONS REMAIN UNCHANGED.

7-19-1978

HARRY W SHLAUDEMAN

Date

FOR THE GOVERNMENT OF THE UNITED STATES

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41F.R.47919-47927 November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

7-19-1978

J RADBILL

Date

FOR THE GOVERNMENT OF PERU

ETHIOPIA

Agricultural Commodities: Transfer Under Title II

*Agreement signed at Addis Ababa September 22, 1978;
Entered into force September 22, 1978.*

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

TRANSFER AUTHORIZATION

Program Classification: AID No. 663-XXX-000-8632
Emergency Food Assistance

Program Approval Dated:
July 28, 1978

Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

Program Title: Emergency
Feeding - Ethiopia

In accordance with the provisions of Title II, PL 480 (as amended),^[1] Section 2 of Executive Order 10900^[2] and State Department Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver Agricultural Commodities to ETHIOPIA in an amount not to exceed \$2,545,000 pursuant to the following instructions:

1. Quantity - (Metric Tons not to exceed)

Previous Total	Increase	Decrease	Total to Date
12,500			12,500

¹ 68 Stat. 457; 7 U.S.C. § 1721 *et seq.*

² 26 Fed. Reg. 143.

2. Commodities to be shipped:

Code No.	Commodity	Quantity Metric Tons	Estimated Value
041. 0020	Wheat	10, 000	\$1, 230, 000
048. 8440	CSM	2, 500	1, 315, 000

3. Estimated Ocean Transportation Costs: \$2,500,000

All actual ocean transportation expenditures under this program, regardless of the estimate shown above, are to be charged to the Blanket Freight Transfer Authorization No. 935-9500-000-8899. An individual Ocean Freight Transfer Authorization will not be issued.

4. Specifications:

Wheat - To USDA's specifications in 100 lb. bags.
CSM - To USDA's specifications in 50 lb. bags.

5. Shipping Instructions:

- a. Delivery Schedule: A.S.A.P.
- b. Port of Discharge: Assab, Ethiopia.
- c. Consignee: Relief and Rehabilitation Commission, Provisional Military Government of Socialist Ethiopia (PMGSE) Addis Ababa, Ethiopia.
- d. Send copy of Bills of Lading to:
 - 1. First original and one copy to Consignee accompanying cargo.
 - 2. Second original and two copies to Consignee via airmail.
 - 3. Third original and two copies to Director, USAID to Ethiopia, c/o American Embassy, Addis Ababa, Ethiopia, via airmail.
 - 4. Fourth original and two copies to Commodity Management A.I.D., Washington, D.C. 20523, Attention: Henry Diaz.
 - 5. One additional copy to Controller, USAID to Ethiopia, c/o American Embassy, Addis Ababa, Ethiopia via airmail.
 - 6. One additional copy to Regional Food for Peace Officer, REDSO/EA, c/o American Embassy Nairobi, Kenya.

6. Program Objectives, Use of Commodities and Conditions of Transfer:

The commodities authorized herein are contributed by the United States Government (USG) to the Provisional Military Government of Socialist Ethiopia (PMGSE) to assist in alleviating the shortage of food.

- A. The commodities herein contributed are for free direct distribution to drought victims in Ethiopia who are otherwise unable

to obtain essential food supplies. Distribution is to be limited to the affected areas of Wollo, Tigre, Bale and Sidamo unless otherwise agreed to in writing by USAID. The rate of distribution of the commodities shall not exceed the amount the recipient and his dependents can consume during the period for which the distribution is made.

- B. The P.M.G.S.E. will be responsible for all storage, internal handling and transportation and distribution costs on the commodities herein provided.
- C. The USG will supply the commodities, pay ocean freight costs and deliver them to the PMGSE at the Port of Assab.
- D. The PMGSE agrees to keep the USAID in Addis Ababa, Ethiopia, fully informed concerning the status of commodity distribution and will provide complete details, as requested. Representatives of the USG will be permitted to audit and have access to all records pertaining to the use of commodities provided by this Transfer Authorization. The PMGSE further agrees to submit a report to the USAID Addis Ababa including the followings:
 - a) Beginning stocks
 - b) Arrivals
 - c) Distributions
 - d) Sales
 - e) Damaged stocks

SEPTEMBER 22, 1978
Date

FOR THE GOVERNMENT OF
THE UNITED STATES OF
AMERICA

By: FREDERIC L CHAPIN
Frederic L. Chapin
Title: Ambassador
United States of America

REQUEST AND ACCEPTANCE: The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 41 F.R. 47919-47927, November 1, 1976 (attached and incorporated herein by reference), except as otherwise specifically provided herein are hereby accepted.

SEPTEMBER 22, 1978
Date

FOR THE PROVISIONAL MILITARY GOVERNMENT OF SOCIALIST ETHIOPIA

By: SHIMELIS ADUGNA
Shimelis Adugna
Title: Chief Commissioner
Relief & Rehabilitation Commission

PHILIPPINES

Panay Unified Services for Health

*Agreement signed at Manila June 2, 1978;
Entered into force June 2, 1978.*

A.I.D. Loan No. 492-U-053

A.I.D. Project No. 492-0312

PROJECT
LOAN AND GRANT AGREEMENT
BETWEEN
THE REPUBLIC OF THE PHILIPPINES
and the
UNITED STATES OF AMERICA
for
PANAY UNIFIED SERVICES FOR HEALTH

Dated: June 2, 1978

TABLE OF CONTENTSLOAN AND GRANT AGREEMENT

	<u>Page</u>	<i>[Pages herein]</i>
Article 1: The Agreement	1	3157
Article 2: The Project	1	3157
Section 2.1. Definition of Project	1	3157
Article 3: Financing	2	3158
Section 3.1. The Grant; The Loan	2	3158
Section 3.2. Cooperating Country Resources for the Project	3	3159
Section 3.3. Project Assistance Completion Date	3	3159
Article 4: Loan Terms	4	3160
Section 4.1. Interest	4	3160
Section 4.2. Repayment	4	3160
Section 4.3. Application, Currency, and Place of Payment	5	3161
Section 4.4. Prepayment	5	3161
Section 4.5. Renegotiation of Terms	5	3161
Section 4.6. Termination on Full Payment	6	3162
Article 5: Conditions Precedent to Disbursement	7	3163
Section 5.1. First Disbursement	7	3163
Section 5.2. Notification	8	3164
Section 5.3. Terminal Dates for Conditions Precedent	8	3164
Article 6: Special Covenants	9	3165
Section 6.1. Project Evaluation	9	3165
Section 6.2. Selection of Participating Barangays	9	3165
Section 6.3. Assurance of Funding	9	3165
Section 6.4. Assurance of Continuity	9	3165
Article 7: Procurement Source	10	3166
Section 7.1. Foreign Exchange Costs	10	3166
Section 7.2. Local Currency Costs	10	3166

	<u>Page</u>	{ <i>Pages herein</i> }
Article 8: Disbursements	11	3167
Section 8.1. Disbursement for Foreign Exchange Costs	11	3167
Section 8.2. Disbursement for Local Currency Costs	11	3167
Section 8.3. Other Forms of Disbursement	12	3168
Section 8.4. Rate of Exchange	13	3169
Section 8.5. Date of Disbursement	13	3169
Article 9: Miscellaneous	13	3169
Section 9.1. Communications	13	3169
Section 9.2. Representatives	14	3170
Section 9.3. Standard Provisions Annex ^[1]	15	3171

ANNEX I - DESCRIPTION OF PROJECT

Description of Project	1	3173
Attachment 1: Project Financial Plan - Table 1	9	3181
Attachment 2: Project Financial Plan - Table 2	10	3182
Attachment 3: Project Financial Plan - Table 3	11	3183
Attachment 4: Project Financial Plan - Table 4	12	3184

^[1]Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

LOAN AND GRANT AGREEMENT

Dated June 2, 1978

Between

The Republic of the Philippines ("Cooperating Country")

And

The United States of America, acting through the Agency
for International Development ("A.I.D.").

Article 1: The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, will consist of strengthening the regional health system to deliver essential health services down to the barangay level by recruiting, training, equipping and deploying approximately 600 Barangay Health Workers (BHWs). It is expected that the Project will utilize the BHWs to improve the health status of the residents of approximately 600 underdeveloped and economically depressed villages on Panay Island by (a) reducing the incidence of tuberculosis, diphtheria, tetanus and gastro-intestinal infections; (b) reducing the infant mortality rate;

(c) reducing the crude birthrate; (d) reducing the incidence of mal-nutrition among children aged six years and below; and (e) providing sanitary toilets and water of improved quality. Annex I, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement. Annex I will identify those elements of the Project for which Grant financing will be employed, and those for which Loan financing will be employed.

The Regional Development Council VI (RDC VI) will be the Implementing Agency, responsible to the National Economic and Development Authority (NEDA) for the effective and timely implementation of the Project.

Article 3: Financing.

Section 3.1. The Grant; The Loan. To assist the Cooperating Country to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to grant the Cooperating Country under the terms of this agreement not to exceed Three Hundred Sixteen Thousand United States ("U.S.") Dollars (\$316,000.00) ("Grant") and to lend the Cooperating Country under the terms of this agreement not to exceed Five Million Four Hundred Thousand U.S. Dollars (\$5,400,000.00) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal". The Loan and the Grant together are referred to as the "Assistance". The Assistance may be used to finance

¹75 Stat. 424; 22 U.S.C. § 2151 note.

foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Cooperating Country Resources for the Project.

(a) The Cooperating Country agreed to provide or cause to be provided for the Project all funds, in addition to the Assistance, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Cooperating Country for the Project will be not less than the equivalent of U.S. \$2,972,000.00, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is August 30, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed, and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the

PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Assistance by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

Section 4.1. Interest. The Cooperating Country will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten years following date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be computed on the basis of a 365-day year. Interest will be payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Cooperating Country will repay to A.I.D. the Principal within twenty (20) years from the date of the first

disbursement of the Loan in twenty-one (21) approximately equal semi-annual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Cooperating Country with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Cooperating Country may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

Section 4.5. Renegotiation of Terms.

(a) The Cooperating Country and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of the Philippines,

which enable the Cooperating Country to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under Sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of the Cooperating Country Director-General of the National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Cooperating Country and A.I.D. relating to the Loan provisions of this Agreement will cease. However, with respect to any obligations arising out of the expenditure of Grant funds, this Agreement will remain in full force and effect.

Article 5: Conditions Precedent to Disbursement.

Section 5.1. First Disbursement. Prior to the first disbursement under the Loan portion of the Assistance, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Cooperating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;
- (b) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person specified in such statement;
- (c) The evaluation program referred to in Section 6.1;
- (d) A copy of the Memorandum of Agreement between NEDA, the RDC VI, Department of Public Works, and the Department of Health, which contains their respective responsibilities in the implementation of the Project;
- (e) A copy of the RDC VI document establishing the PUSH Project Management Team (PMT), with authorities and responsibilities to enable the PMT to effectively carry out assigned functions;
- (f) Copies of documents evidencing that the five-man Project Support Staff (PSS) has been hired, and a certification that the PSS has been provided with office space, office equipment and other forms of support to become operational;

- (g) A plan for the implementation of the Project prepared by the RDC VI;
- (h) A copy of the initial Advice of Allotment and the initial Cash Disbursement Ceiling (CDC) issued to RDC VI for executing the PUSH Project;
- (i) Copies of the Memoranda of Agreement between each of the participating Panay provinces and the National Economic and Development Authority, Department of Health, Regional Development Council VI and the Department of Local Government and Community Development, which shall stipulate the responsibilities of the provincial and municipal governments in the implementation of the PUSH Project, particularly the manner by which the provinces will disburse the funds that will be advanced to them under the PUSH Project;
- (j) A copy of the Barangay Health Worker's Handbook, and a copy of the Training Manual to be used in the training of BHWs; and
- (k) A copy of the Administrative Systems and Procedures Manual, which shall include a section on the implementation of the environmental sanitation sub-projects in the barangay.

Section 5.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 have been met, it will promptly notify the Cooperating Country.

Section 5.3. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate the Loan portion of this Agreement by written notice to the Cooperating Country.

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

- (a) Evaluation of progress toward attainment of the objectives of the Project;
- (b) Identification and evaluation of problem areas or constraints which may inhibit such attainment;
- (c) Assessment of how such information may be used to help overcome such problems, in this or other project; and
- (d) Evaluation, to the degree feasible, of the overall development impact of the Project.

Section 6.2. Selection of Participating Barangays. The Cooperating Country covenants and agrees that the barangays where the Project will be implemented will be agreed upon by the Cooperating Country and A.I.D.

Section 6.3. Assurance of Funding. The Cooperating Country covenants and agrees that sufficient funds shall be released to the RDC VI on a timely basis to assure orderly implementation of the Project as scheduled.

Section 6.4. Assurance of Continuity. The Cooperating Country covenants and agrees that the four participating provinces in Panay will assume the financial responsibility of maintaining the Barangay Health Workers after the three-year external financial subsidy has terminated.

Article 7: Procurement Source.

Section 7.1. Foreign Exchange Costs.

(a) Disbursements of Loan funds pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

(b) Disbursements of Grant funds pursuant to Section 8.1 will be used exclusively to finance the costs of services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing.

Section 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.

Section 8.1. Disbursement for Foreign Exchange Costs. The Cooperating Country may obtain disbursements of funds under the Loan or the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon; provided that Loan funds may be disbursed only after satisfaction of conditions precedent:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in the Cooperating Country's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

Section 8.2. Disbursement for Local Currency Costs.

(a) The Cooperating Country may obtain disbursement of funds under the Loan or the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs; provided

that Loan funds may be disbursed only after satisfaction of conditions precedent.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government; or

(2) by A.I.D. (A) requesting the Cooperating Country to make available the local currency for such costs, and (B) thereafter making available to the Cooperating Country through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Cooperating Country or its designee, an amount of U.S. dollars equivalent to the amount of local currency made available by the Cooperating Country, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan or the Grant may also be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan or the Grant are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements of the Assistance by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Cooperating Country or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Credit; (b) on the date on which A.I.D. disburses to the Cooperating Country or its designee local currency acquired in accordance with Section 8.2(b)(1); or, (c) if local currency is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1. Communications. Except as expressly provided in Section 4.3, any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Cooperating Country:

Mail Address: National Economic and Development
Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL MANILA

To A.I.D.:

Mail Address: United States Agency for International
Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties
otherwise agree in writing. Other addresses may be substituted for
the above upon the giving of notice.

Section 9.2 Representatives. For all purposes relevant to
this Agreement, the Cooperating Country will be represented by the
individual holding or acting in the office of the Director-General,
National Economic and Development Authority and A.I.D. will be rep-
resented by the individual holding or acting in the office of the
Director, United States A.I.D. Mission to the Philippines, each of
whom, by written notice, may designate additional representatives
for all purposes other than exercising the power under Section 2.1
to revise elements of the amplified description in Annex I. The
names of the representatives of the Cooperating Country, with spe-
cimen signatures, will be provided to A.I.D., which may accept as
duly authorized any instrument signed by such representatives in im-
plementation of this Agreement, until receipt of written notice of
revocation of their authority.

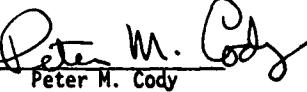
Section 9.3. Standard Provisions Annex. A "Combined Loan and Grant Standard Provisions Annex" (Annex II)^[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By: 
Gerardo P. Sicat

UNITED STATES OF AMERICA

By: 
Peter M. Cody

Title: Secretary of Economic Planning
(Director-General)
National Economic &
Development Authority

Title: Director
U.S. Agency for
International Development

Concurrence:

By: 
Clemente S. Gatmaitan

Title: Secretary
Department of Health

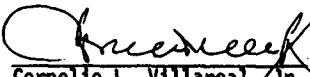
By: 
Conrado J. Norada

Title: Chairman
Regional Development Council VI

¹ See footnote 1, p. 3156.

By: 
Conrado J. Norada

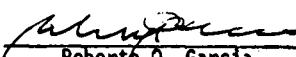
Title: Governor
Province of Iloilo

By: 
Cornelio L. Villareal, Jr.

Title: Governor
Province of Capiz

By: 
Evelio B. Javier

Title: Governor
Province of Antique

By: 
Roberto Q. Garcia

Title: Governor
Province of Aklan

ANNEX I

DESCRIPTION OF PROJECT

The goal of the Panay Unified Services for Health (PUSH) Project is to improve the health status of the residents of 600 depressed barangays in Panay Island. The 600 barangays will be selected, using a set of socio-economic indicators, from Class V municipalities in the provinces of Iloilo, Antique, Capiz and Aklan. Attainment of the Project's goal is to be reflected in terms of reducing by an estimated 25% the incidence of tuberculosis, tetanus and gastro-intestinal infections, a similar 25% reduction in the infant mortality rate, a reduction of the crude birth rate from 31.5 to approximately 24 per thousand, and in concert with the efforts of the Philippine National Nutrition Program, reduction by an estimate 70% and 40%, respectively, of the incidence of second and third degree malnutrition among children aged six years and below.

The purpose of the Project is to strengthen the capacity of the regional health system to deliver integrated services to the barangay level. Achievement of project purpose will require the following outputs:

(1) Barangay Health Workers (BHWs).

The project will recruit, train, equip and deploy 600 Barangay Health Workers. The key figure in the planned barangay health care delivery system, the BHW will be a male or female resident of the barangay, between 18 to 45 years old, with at least six years of

formal education, who will undergo a six-week basic training course and 2 weeks refresher course every six months to enable him or her to respond to simple medical problems and undertake preventive and health promotive activities in the barangay.

The BHW will be from and based in the barangay, nominated by the barangay, endorsed by the Rural Health Unit and the Provincial Health Officer and appointed by the Provincial Governor. All BHWs will be paid, full-time employees of the provincial government. The BHWs will be under the operational supervision of the Rural Health Unit. BHWs will serve as barangay contact points and facilitators for existing technical personnel such as sanitary inspectors, social workers, municipal population officers, nutrition workers and general health workers in carrying out their line agency functions.

In order to avoid confusion in the utilization of the BHWs by other line agency technicians, coordination of such activities will be maintained at the municipal level through the Rural Health Unit which will formulate the BHW's work program in the barangay. The BHWs will function as extenders of the services provided by the Rural Health Unit. At the barangay level, they will work on seven general areas of concern:

(a) Community Organization.

Public Health is premised on community effort. One important function of the BHWs will be to organize the barangays and mobilize them into collective action to combat existing barangay health problems. They will provide assistance

to the barangay in the identification of health projects, in the formulation of project plans and in securing external assistance needed for project implementation. Group meetings with barangay residents will be utilized also as avenues for the dissemination of nutrition and family planning information and on the promotion of proper health habits and practices.

(b) Environmental Sanitation.

The BHWs, with technical assistance from the sanitary engineer and the Provincial Engineering Office, will identify areas in the barangay where water facilities need to be constructed or improved. They will organize the community and catalyze efforts to obtain the commodities and expertise to construct or improve the water facility, and promote proper water handling and utilization practices. They will periodically monitor water quality and apply simple water treatment procedures, when necessary.

They will campaign for sanitary waste disposal and organize the community to obtain basic commodities and expertise for the construction of water-seal toilets for every household in the barangay. They will likewise provide practical advice on the proper handling of household refuse, fly and mosquito control, and other disease-causing environmental nuisances in the barangay.

(c) Family Planning.

The BHWs will provide information on the different forms of contraceptives available in the locality, motivate potential contraceptive users, refer acceptors to appropriate agencies and resupply ongoing users with the required commodities. The PUSH BHWs will provide necessary services if a family planning program in the barangay is already established. Otherwise, they will take the primary initiative on organizing one.

(d) Nutrition.

The BHWs will periodically weigh and keep records of the weights of children in the barangay aged 6 years old and below in order to prioritize the targets of the barangay nutrition program. They will provide barangay residents with basic information on nutrient requirements, common food sources of essential nutrients, and proper infant feeding techniques. They will assist in the barangay food production campaign in coordination with other agencies, and in the distribution of food assistance commodities. They will initiate and conduct barangay feeding programs for first and second degree malnourished children, and refer for rehabilitation children with third degree malnutrition. In every contact with individual patients or groups of barangay residents, the BHW will use this opportunity to motivate the people to adopt proper nutrition habits and practices.

The BHW will not duplicate or replace the services of a nutrition worker who may be deployed in the barangay by the Philippine Nutrition Program coordinated by the National Nutrition Council. The BHW will provide support services if such a person has been deployed. If a nutrition program has not yet been established in the barangay, the BHW will take the initiative in organizing one.

(e) Control of Communicable Diseases.

The BHWS will identify and prioritize the targets of the barangay immunization program. They will spearhead efforts to obtain technicians and supplies to achieve the objectives of the immunization campaign. Furthermore, they will identify the signs and symptoms of reportable diseases, report and refer them for treatment and follow up these cases regularly. They will provide barangay level assistance to whatever disease-control campaign the RHU may be conducting in the barangay.

(f) Curative Functions.

The BHWS will often be the first persons to be consulted within a barangay if medical problems arise. They will therefore screen patients and identify those that need immediate care and refer them to the nearest medical facility. Patients that can be handled at their own level of competence will be given the appropriate treatment. BHWS will follow up patients who are undergoing a prolonged treatment regimen to

insure that medicines are being taken regularly and proper patient care is provided.

(g) Vital Statistics.

The BHWS will keep records of vital events in the barangay such as deaths and births and submit periodic reports of these to the RHU. They will maintain household spot-maps of the barangay. Individual family health folders will be kept and maintained which will contain records of illnesses, treatment received and outcome of illness of the household members.

(2) Barangay Household Water and Waste Disposal Facilities.

In order to provide an adequate water supply of improved quality, an estimated 280 functional deep wells are to be drilled, approximately 1,200 shallow driven wells are to be emplaced, some 5,400 open dug wells are to be improved, and an estimated 40,000 water-sealed toilets are to be constructed.

Using its own resources, the Bureau of Public Works, Government of the Philippines, will drill an estimated 160 deep wells in barangays included within the Project. The remaining deep wells, approximately 120 will be financed from funds made available under this Agreement.

(3) Botica sa Barangay (Village Drugstores).

Village drugstores will be organized within each participating barangay. Each drugstore will be owned, operated and managed by the barangay itself. Under the leadership and initiative

of the BHW, the barangay will develop its own accounting, pricing and resupply system and arrangements for custody of the drug supply. The Rural Health Units will provide continuing technical supervision in this process, especially with regard to the nature of drugs that the barangay will need to stock.

After showing evidence that the barangay has organized itself, an initial \$100 drug supply will be provided under the Project to the barangay as starting capital. Depending on the preferences of the people, a small mark-up may be charged on the purchase cost of drugs to cover operational expenses and to generate funds to finance other community health projects.

(4) Rural Health Units.

An estimated 100 Rural Health Units in the four provinces of Panay will be supplied with vaccines in support of the DPT and BCG immunization drive under this Project. Anti-TB drugs will also be supplied for the treatment and control of tuberculosis in the Project areas.

(5) Provincial Health Laboratories.

Four Provincial Health Laboratories, one in each of the four Panay provinces, will be equipped to perform such support services as water analysis including bacteriological examination and sputum examination for the early detection of tuberculosis cases.

(6) Barangay Nutrition Outreach Services.

With the BHWs in place and in coordination with the Philippine National Nutrition Program, 600 barangay nutrition outreach service points will be established. These are expected to provide nutrition services and commodities to an estimated 10,000 malnourished children.

(7) Barangay-level Family Planning Supply Points and Services.

Through the efforts of the BHWs and in cooperation with the National Family Planning Outreach Program, a total of 600 barangay-level Family Planning Supply Points will be established. Services provided will include dissemination of family planning information, motivation of potential contraceptive users, resupply of current users and referral services.

An Illustrative Project Financial Plan is incorporated as Attachment 1 to this Annex.

Annex I
Attachment 1PROJECT FINANCIAL PLAN
Source & Application of Funding - \$000Table I - Total Life of Project Funding^{2/}

PROJECT COMPONENTS	A.I.D.			G.O.P.			OTHER ^{1/}			SUBTOTAL		
	Loan	FX	LC	Grant	FX	LC	FX	LC	FX	LC	FX	LC
U.S. Consultants		66									66	
Local Consultants		40	102				20		40		102	20
Participant Training (Foreign)				15								15
Project Mgmt. Training (Local)												
Administration & Supervision							1001					1001
Rent & Utilities		889					69					69
Drilled Deep Wells		208					916					1805
Driven Shallow Wells		529										208
Improved Dug Wells		325										529
Toilets												325
BHN Training		392										392
BHN Salaries		600										669
BHN Supply Kits		66										66
Barangay Drugs		60										60
RHU Supplies		150										150
Provincial Health Labs		10										10
Vehicles		140										140
Training & Support		45	7									7
Project Support Staff		331										331
15% Contingency		52	511	16	18		311	(99)	68			840
Cost Escalation		59	1026	20	39		536	(184)	79			1651
SUBTOTAL	456	4944	142	174			2972	(940)	598			8090
TOTAL		5400		316			2972	(940)				8688

^{1/}Estimated contribution of project beneficiaries. Non-add.^{2/}Adjustments between line items of up to 20% may be made without modification of this financial plan, provided the obligations of the parties are not increased.
[Footnotes in the original.]

Annex I
Attachment 2

PROJECT FINANCIAL PLAN
Table 2 - A.I.D. Loan Contribution
 (\$'000)

<u>COMPONENT</u>	<u>Year 1</u> FX <u>LC</u>	<u>Year 2</u> FX <u>LC</u>	<u>Year 3</u> FX <u>LC</u>	<u>Year 4</u> FX <u>LC</u>	<u>Year 5</u> FX <u>LC</u>	<u>Life of Proj.</u>	<u>LC</u> <u>TOTAL</u>
						<u>FX</u> <u>LC</u>	
<u>Environmental Sanitation</u>	205	275	374	452	645	1951	1951
Drilled Deep Wells	178	178	178	178	178	889	889
Driven Shallow Wells	9	27	44	52	76	208	208
Improved Dug Wells	10	40	85	118	275	529	529
Toilets	8	30	67	104	116	325	325
<u>Barangay Health Workers</u>	58	117	203	284	330	992	992
Training Salaries	44	62	82	98	106	392	392
Equipment & Supplies	14	55	121	186	224	600	600
<u>BHW Supply Kits</u>	66					66	66
Barangay Drugs	60					60	60
RHU Supplies	150					150	150
Provincial Health Labs	10					10	10
Vehicles	140					140	140
<u>Training & Support</u>	45	7				45	7
<u>Project Support Staff</u>	66	66	67	66	66	331	331
15% Contingency	52	69	96	120	157	52	563
<u>Cost Escalation</u>	59	37	76	167	287	459	1085
<u>TOTAL</u>	456	568	603	907	1209	1657	5400

Annex I
Attachment 3

PROJECT FINANCIAL PLAN
Table 3 - A.I.D. Grant Contribution
 (\$'000)

COMPONENT	Year 1 FX LC	Year 2 FX LC	Year 3 FX LC	Year 4 FX LC	Year 5 FX LC	Life of Proj. FX LC	TOTAL
U.S. Consultants	18	12	12	12	12	66	66
Local Consultants		16	16	16	54	102	102
Participant Training (Foreign)	12	20	8		40		40
Project Management Training (Local)	15					15	15
15% Contingency	4	3	5	2	3	2	34
Cost Escalation	2	1	5	3	4	6	59
TOTAL	36	19	42	21	23	19	174

**Annex I
Attachment 4**

PROJECT FINANCIAL PLAN

Table 4 - Central & Local Government C
(\$-000)

<u>COMPONENT</u>	<u>Year 1</u> \$	<u>Year 2</u> \$	<u>Year 3</u> \$	<u>Year 4</u> \$	<u>Year 5</u> \$	<u>Life of Proj.</u> Y
BHW Salaries						
Participant Training	6	45	10	75	4	30
Deep Wells	183	1372	183	1372	183	1373
Administration & Supervision	132	990	175	1313	225	1687
Rent & Utilities	14	105	14	105	14	105
15% Contingency	50	375	57	428	64	480
Cost Escalation	27	203	64	480	110	825
TOTAL	412	3090	503	3773	600	4500

NOTES: (1) All GOP contributions are for peso costs of the Project.

(2) Conversion rate \$1 - P7.5. [Footnotes in the original.]

UPPER VOLTA
Agricultural Human Resources Development

*Agreement signed at Ouagadougou June 8, 1978;
Entered into force June 8, 1978.*

USAID Project No. 686-0221

PROJECT AGREEMENT

/
between

THE GOVERNMENT OF THE REPUBLIC OF UPPER VOLTA

and

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

for

AGRICULTURAL HUMAN RESOURCES DEVELOPMENT

ACCORD DE SUBVENTION

entre

LE GOUVERNEMENT DE LA REPUBLIQUE DE HAUTE-VOLTA

et

LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE

pour

LE DEVELOPPEMENT DES RESSOURCES HUMAINES AGRICOLES

GRANT AGREEMENT

Dated June 8, 1978 by and between the Government of the Republic of Upper Volta (named hereafter "Grantee") and the Government of United States of America, acting through the Agency for International Development (named hereafter "USAID").

ACCORD DE SUBVENTION

En date du 8 juin 1978, entre le Gouvernement de la République de Haute-Volta (ci-après dénommé "Bénéficiaire") et le Gouvernement des Etats-Unis d'Amérique, représenté par l'Agence pour le Développement International (ci-après dénommé "USAID").

Article 1 : The Agreement

The purpose of this Agreement is to set out the understanding of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 1 : L'Accord

Le présent Accord a pour objet de fixer les conditions que doivent remplir les parties susmentionnées ("Parties") quant à l'exécution par le Bénéficiaire du Projet décrit ci-dessous et quant au financement du Projet par les Parties.

Article 2 : The ProjectSECTION 2.1 : Definition of Project.

The Project, which is further described in Annex 1, attached, will consist of :

Improving the capability of the Institute Superior Polytechnique of the University of Ouagadougou ("ISP") and of the Ministry of Rural Development through the Secretariat Permanent, Comité de Coordination pour le Développement Rural (CCDR) to train agricultural personnel by :

- expanding and improving the Centre Agricole Polyvalent ("CAP") at Matourkou ;
- constructing a new CAP at Bogandé ;
- improving transportation and support facilities for three village centers around Matourkou ;
- constructing a central research station for ISP at Gampala and three regional field stations ;

Article 2 : Le ProjetSECTION 2.1. : Définition du Projet.

Le Projet, décrit plus en détail à l'Annexe 1, comprendra :

l'amélioration des capacités de l'Institut Supérieur Polytechnique de l'Université de Ouagadougou ("ISP") et du Ministère du Développement Rural par l'intermédiaire du Secrétariat Permanent, Comité de Coordination pour le Développement Rural (CCDR) pour former du personnel agricole par :

- l'élargissement et l'amélioration du Centre Agricole Polyvalent ("CAP") à Matourkou ;
- la construction d'un nouveau CAP à Bogandé ;
- l'amélioration des moyens de transport et le matériel pour soutenir trois centres villageois autour de Matourkou ;
- la construction d'une station de recherche pour l'ISP à Gampala et trois stations de terrain régionales ;

- providing operating costs and agricultural equipment for the CAPs at Bogandé and Matourkou and additional analytical equipment for practical training at ISP ;
 - providing technical assistance for the two CAPs and the ISP ;
 - providing additional training, both within the Cooperating Country and in third countries, for the teachers at the CAPs and ISP ; and
 - providing related goods and services, (hereinafter referred to as the "Project").
- la fourniture de fonds opérationnels et d'équipement pour les CAP à Bogandé et Matourkou et l'équipement additionnel d'analyses pour la formation pratique à l'ISP ;
 - la fourniture d'assistance technique pour les deux CAP et l'ISP ;
 - la mise en œuvre de formation additionnelle, aussi bien dans le pays de coopération que dans des pays tiers, pour les enseignants des CAP et ISP ; et
 - la fourniture de biens et services relatifs au projet, (ci-après mentionné le "Projet").

Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the project, elements of the amplified description stated in Annex 1 may be modified by written agreement of the authorized representatives of the Parties named in Section 8.3., without formal modification of this Agreement.

L'Annexe 1, ci-jointe, amplifie la définition ci-dessus du projet. Dans les limites des définitions du dit Projet, les éléments de la description élargie comprise dans l'Annexe 1 peuvent être modifiés, avec l'accord écrit des autorités représentant les Parties citées à la Section 8.3., sans que cela n'entraîne une modification de fond de l'Accord.

SECTION 2.2 : Incremental Execution of the project.

- (a) USAID's contribution to the project will be provided in increments, the initial ones being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to USAID for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.
- (b) Within the overall Project Assistance Completion Date stated in this Agreement, USAID, based upon consultation with the Grantee, may specify in project implementation letters appropriate time periods for the utilization of funds granted by USAID under individual increment of assistance.

SECTION 2.2 : Exécution du Projet par tranches.

- (a) La contribution de l'USAID au projet se fera par tranches successives, la première étant débloquée conformément à la Section 3.1 du présent Accord. Les tranches suivantes seront autorisées, selon les disponibilités financières de l'USAID et sous réserve de l'accord des Parties, au moment de la procédure d'une tranche postérieure.
- (b) Dans les limites de la Date d'Achèvement d'Assistance au Projet fixée dans cet Accord, l'USAID, après consultation avec le Bénéficiaire, peut préciser dans des lettres d'exécution du projet les périodes appropriées pour l'utilisation des fonds accordés par l'USAID sous l'assistance de tranches individuelles.

Article 3 : FinancingSECTION 3.1. : The Grant.

To assist the Grantee to meet the costs of carrying out the project, USAID, pursuant to the Foreign Assistance Act of 1961 as amended,^[1] agrees to grant the Grantee under the terms of this Agreement an amount not to exceed two million United States dollars (U.S. \$2,000,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1., and local currency costs, as defined in Section 6.2., of goods and services required for the project, except that, unless the Parties otherwise agree in writing, local currency costs financed under the Grant will not exceed the equivalent of eight hundred thirty thousand five hundred U.S. dollars (U.S. \$ 830,500).

SECTION 3.2. : Grantee Resources for the Project

- (a) The Grantee agrees to provide, or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.
- (b) The resources provided by the Grantee for the project will be not less than the equivalent of six million seventy-nine thousand dollars (U.S. \$ 6,079,000), including costs borne on an "inkind" basis.

SECTION 3.3. : Project Assistance Completion Date

- (a) The "Project Assistance Completion Date" (PACD), which is March 31, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties

Article 3 : FinancementSECTION 3.1. : La Subvention

Pour aider le Bénéficiaire à faire face aux dépenses entraînées par l'exécution du projet, l'USAID, conformément à la Loi de 1961 de l'Assistance à l'Etranger, comme amendée, accepte de lui accorder, aux termes de cet Accord une somme n'excédant pas deux millions de dollars des Etats-Unis, (E.U. \$ 2,000,000) ("Subvention").

La Subvention pourra être utilisée pour financer les dépenses en devises étrangères telles que définies à la Section 6.1., et les dépenses en monnaie locale, telles que définies à la Section 6.2., pour les biens et services nécessaires au projet, la condition étant, à moins que les Parties en conviennent autrement par écrit, que les dépenses en monnaie locale financées par la Subvention ne dépassent pas l'équivalent de huit-cent trente mille cinq cents dollars des Etats-Unis (E.U. \$ 830,500).

SECTION 3.2. : Contributions du Bénéficiaire à l'exécution du Projet

- (a) Le Bénéficiaire accepte de fournir ou de faire fournir pour l'exécution du Projet, en plus de la Subvention, tous les fonds et toutes les autres contributions requises pour mener à bien et en temps voulu le Projet.
- (b) Les ressources fournies par le Bénéficiaire pour le Projet ne seront pas inférieures à l'équivalent de six millions soixante-dix-neuf mille dollars des Etats-Unis (E.U. \$ 6,079,000) y compris les coûts supportés sur une base "en nature".

SECTION 3.3. : Date d'Achèvement d'Assistance au Projet

- (a) La "Date d'Achèvement d'Assistance au Projet" (DAAP), à savoir le 31 mars 1983, ou toute autre date dont les Parties peuvent convenir par écrit, est la date

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

estimate that all services financed under the Grant will have been furnished for the project as contemplated in this Agreement.

- (b) Except as USAID may otherwise agree in writing, USAID will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.
- (c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by USAID or any bank described in Section 7.1, not later than nine (9) months following the PACD, or such other period as USAID agrees to in writing. After such period, USAID, giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4 : Conditions Precedent to Disbursement

SECTION 4.1. First disbursement. Prior to the first disbursement under the Grant, or to the issuance by USAID of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

- A statement of the names of the persons holding or acting in the offices of the Grantee specified in Section 8.3., and of any additional representatives, together

à laquelle les Parties estiment que tous les services financés au titre de la Subvention auront été fournis pour l'exécution du Projet comme l'envisage le présent Accord.

- (b) À moins que l'USAID en convienne autrement par écrit, elle ne donnera suite ni n'approuvera tout document qui autoriserait le déboursement de la Subvention pour la prestation de services exécutés après la DAP ou pour des biens fournis pour le Projet comme l'envisage le présent Accord, après ces dates.
- (c) Les demandes de déboursement, accompagnées des pièces justificatives nécessaires qu'indiquent les Lettres d'Exécution du Projet, doivent parvenir à l'USAID ou à la Banque mentionnée à la Section 7.1 au plus tard neuf (9) mois après la DAP ou toute autre période dont l'USAID conviendrait par écrit. Après cette période, l'USAID, après avoir envoyé un avis écrit au Bénéficiaire, peut à n'importe quel moment réduire le montant de la Subvention de tout ou partie de ce montant pour lequel les demandes de déboursement accompagnées des pièces justificatives nécessaires qu'indiquent les lettres d'exécution du Projet, n'ont pas été reçues avant l'arrivée à expiration de la dite période.

Article 4 : Conditions préalables au déboursement

SECTION 4.1. Premier déboursement : Avant le premier déboursement effectué au titre de la Subvention ou avant la publication par l'USAID des documents en vertu desquels le déboursement sera fait, le Bénéficiaire, à moins que les Parties en décident autrement par écrit, fournira à l'USAID dans les conditions de forme et de fond lui convenant :

- une déclaration du nom des personnes représentant le Bénéficiaire ou agissant en son nom comme l'indique la Section 8.3., et de tout autre représentant, ainsi

with a specimen signature of each person specified in such statement.

SECTION 4.2. : Disbursements for Construction.

Prior to the first disbursement of funds under the Project for each construction activity, or to the issuance of any commitment documents with respect thereto, the Grantee shall furnish to USAID the following, with respect to such construction activity, in form and substance satisfactory to USAID :

- a) Detailed plans, specifications and construction schedules with respect to such activity ;
- b) A description of the arrangement made for providing construction services for such activity, including an executed contract for construction services with a firm acceptable to USAID unless such services are being provided by force account ; and
- c) A description of the arrangement made for providing engineering supervisory services for such construction activity, including an executed contract with a firm satisfactory to USAID unless such services are being provided by agencies of the Grantee.

SECTION 4.3. : Notification.

When USAID has determined that the conditions precedent specified in Section 4.1., and 4.2. have been met, it will promptly notify the Grantee.

SECTION 4.4. : Terminal Dates for Conditions Precedent

- a) If the conditions specified in Section 4.1. have not been met within 90 days from the date of this Agreement, or such later date as USAID may agree to in writing, USAID, at its option, may terminate this Agreement by written notice to the Grantee.

qu'une signature épocimen de chaque personne dont le nom figure dans la dite déclaration.

SECTION 4.2. : Déboursements pour les Constructions.

Avant le premier déboursement de fonds sous ce Projet, pour toute activité de construction, ou pour la publication de tout document d'engagement financier se rapportant à cela, le Bénéficiaire devra fournir à l'USAID ce qui suit, en relation avec une telle activité de construction, dans les conditions de forme et de fond convenant à l'USAID:

- a) Des plans détaillés, des spécifications et le cahier des charges en relation avec une telle activité ;
- b) Une description des arrangements faits pour la fourniture des services de construction pour une telle activité, y compris un contrat exécuté pour les services de construction avec une firme acceptable à l'USAID, sauf si de telles services seront fournis contre remboursement ; et
- c) Une description des arrangements faits pour des services de surveillance par un ingénieur pour une telle activité de construction, y compris un contrat exécuté par une firme acceptable à l'USAID, sauf si de telles services seront fournis par des agences du Bénéficiaire.

SECTION 4.3. : Notification.

Lorsque l'USAID aura établi que les conditions préalables mentionnées à la Section 4.1. et 4.2. ont été remplies, elle le notifiera promptement au Bénéficiaire.

SECTION 4.4. : Dates limites pour les conditions préalables.

- a) Si les conditions mentionnées à la Section 4.1. n'ont pas été remplies dans les 90 jours à partir de la date de cet Accord, ou à une date ultérieure dont l'USAID peut convenir par écrit, l'USAID a la faculté de résilier le présent Accord en notifiant le Bénéficiaire par écrit.

- b) If all of the conditions specified in Section 4.2. have not been met within 180 days from the date of this Agreement, or such later date as USAID may agree to in writing, USAID, at its option, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Grantee.

- b) Si toutes les conditions mentionnées à la Section 4.2. n'ont pas été remplies dans les 180 jours qui suivent la date du présent Accord ou toute date ultérieure dont l'USAID peut convenir par écrit, l'USAID a la faculté d'annuler le solde alors non déboursé de la Subvention dans la mesure où il n'y a aucun engagement envers des parties tiers et peut mettre fin au présent Accord par un avis écrit au Bénéficiaire.

Article 5.: Special Covenants

SECTION 5.1. : Project Evaluation.

The Parties agree to establish an evaluation program as part of the project. Except as the Parties otherwise agree in writing, the program will include, during implementation of the project and at one or more points thereafter :

(a) evaluation of progress toward attainment of the objectives of the Project ;

(b) identification and evaluation of problem areas of constraints which may inhibit such attainment ;

(c) assessment of how such information may be used to help overcome such problems ; and

(d) evaluation, to the degree feasible of the overall development impact of the Project.

Article 5. : Conventions spéciales

SECTION 5.1. : L'évaluation du Projet.

Les Parties décident d'établir un programme d'évaluation qui fera partie du Projet. Sauf indication contraire des Parties par écrit, le programme comprendra pendant l'exécution du Projet et, à un ou plusieurs moments par la suite :

(a) une évaluation de l'état d'avancement du Projet ;

(b) l'identification et l'évaluation des problèmes ou des contraintes qui peuvent entraver la réalisation des objectifs fixés

(c) l'appréciation de la manière dont ces observations peuvent être utilisées pour contribuer à surmonter ces problèmes ; et

(d) l'évaluation, dans la mesure du possible, de l'incidence globale du projet sur le développement.

SECTION 5.2. : Participants

Participants sent to the United States, or any other country, for teacher training shall, upon successful completion of training, be assigned to teaching positions at the ISP.

SECTION 5.2. : Participants

Les participants envoyés aux Etats-Unis, ou dans tout autre pays, pour la formation d'enseignants devront, après achèvement de la formation avec succès, être affectés à un poste d'enseignant à l'ISP.

SECTION 5.3. : Site Selection.

A site satisfactory for the Grantee and to USAID for construction of the CAP at Bogandé shall be selected prior to September 1978.

SECTION 5.3. : Choix de l'emplacement.

Un emplacement satisfaisant le Bénéficiaire et l'USAID pour la construction du CAP à Bogandé, devra être choisi avant le mois de septembre 1978.

SECTION 5.4. : Pesticide Procurement

Procurement and use of pesticide for purposes of the Project shall be in accordance with USAID pesticide regulations as in effect at the time of procurement.

SECTION 5.4. : Acquisition d'Insecticides

L'acquisition et l'utilisation d'insecticides pour les fins du Projet devront être en accord avec la réglementation en vigueur de l'USAID, régissant les insecticides au moment de la commande.

SECTION 5.5. : Personnel Benefits Program

Except as USAID may otherwise agree in writing, USAID funds shall not be delegated for this Project in FY 1980 until Statut of Personnel shall be approved and effected by the Grantee providing teachers at the ISP and at the CAPs at Matourkou and Bogandé privileges and benefits equivalent to other civil servants of comparable rank and satisfactory to USAID.

SECTION 5.5. : Programme Social pour le Personnel

Sauf si l'USAID en décide autrement par écrit, les fonds de l'USAID ne devront pas être délégués pour ce Projet dans l'année fiscale 1980 jusqu'à ce qu'un statut du personnel soit approuvé et réalisé par le Bénéficiaire, fournissant aux enseignants de l'ISP et aux CAP de Matourkou et Bogandé les droits et priviléges équivalents à ceux fournis aux fonctionnaires d'un rang comparable et satisfaisant à l'USAID.

Article 6 : Procurement SourceSECTION 6.1. : Foreign Exchange Costs

Disbursements pursuant to Section 7.1., will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in AID Geographic Code 941 (as per the AID Geographic Code Book as in effect at the time orders are placed or contracts entered into) except as USAID may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex,^{1]} Section C.1. (b) with respect to marine insurance.

SECTION 6.2. : Local Currency Costs.

Disbursements pursuant to Section 7.2. will be used exclusively to finance the costs of goods and services required for the project having their source and, except as USAID may otherwise agree in writing their origin in Upper Volta. To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for this Project.

Article 7 : DisbursementSection 7.1. : Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon :

- (1) by submitting to USAID, with necessary supporting documentation as prescribed in Project Implementation Letter, (A)

Article 6 : Sources d'approvisionnementSECTION 6.1. : Frais en devises étrangères

Conformément à la Section 7.1., les déboursements seront uniquement utilisés pour financer les coûts des biens et services requis pour l'exécution du Projet et ayant leur source et origine dans les pays inclus dans le code 941 (comme stipulé dans le Code Géographique de l'USAID tel qu'il est en vigueur à l'époque où les commandes sont passées et les marchés conclus pour ces biens et services) à moins que l'USAID en convienne autrement par écrit et excepté si la Section C.1. (b) de l'Annexe sur les dispositions type de la Subvention le stipule autrement quant à l'assurance maritime.

SECTION 6.2. : Frais en monnaie locale.

Conformément à la Section 7.2. les déboursements seront uniquement utilisés pour financer les coûts des biens et services pour l'exécution du Projet et ayant leur source, à moins que l'USAID en convienne autrement par écrit, et leur origine en Haute-Volta, dans la mesure où le présent Accord le stipule, les "frais en monnaie locale" peuvent également inclure la réserve des ressources en monnaie locale requise pour l'exécution du Projet.

Article 7 : DéboursementsSection 7.1. : Déboursement des frais en devises étrangères

(a) Après avoir rempli avec satisfaction les conditions susmentionnées, le Bénéficiaire peut obtenir le déboursement des fonds au titre de la Subvention pour la financement des frais en devises étrangères des biens et services nécessaires à l'exécution du Projet et ce, conformément aux termes du présent Accord, par l'une des méthodes ci-après convenues d'un commun accord :

- (1) en présentant à l'USAID, accompagnées des pièces justificatives nécessaires comme le stipulent les lettres

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

requests for reimbursement for such goods or services, or, (B) requests for USAID to procure commodities or services in Grantee's behalf for the Project ; or

(2) by requesting USAID to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to USAID, committing USAID to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing USAID to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs USAID to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. : Disbursement for Local Currency Costs.

- (a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to USAID, with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.
- b) The local currency needed for such disbursements may be obtained :

- 1) by acquisition by USAID with U.S. dollars by purchase ; or

d'exécution du Projet, (A) les demandes de remboursement de ces biens et services ou B) les demandes à l'USAID, au nom du Bénéficiaire, d'achat de biens et services pour l'exécution du Projet ; ou

(2) en demandant à l'USAID d'émettre des lettres d'engagement pour des montants spécifiés (A) à une ou plusieurs banques des Etats-Unis, agréées par l'USAID, l'engageant à rembourser cette ou ces banques par les paiements effectués par elles à des entrepreneurs ou fournisseurs, dans le cadre d'une lettre de crédit par exemple, pour l'achat de ces biens et services ou (B) directement à un ou plusieurs entrepreneurs ou fournisseurs engageant l'USAID à payer ces derniers pour l'achat de ces biens et services.

(b) Les frais bancaires encourus par le Bénéficiaire pour des lettres d'engagement et de crédit seront financés au titre de la Subvention, à moins que le Bénéficiaire n'instrue l'USAID du contraire. Les autres frais dont les Parties peuvent convenir peuvent également être financés dans le cadre de la Subvention.

SECTION 7.2. : Déboursement pour les frais en monnaie locale.

- (a) Après avoir rempli avec satisfaction les conditions susmentionnées, le Bénéficiaire peut obtenir le déblocage des fonds au titre de la Subvention pour le financement des frais en monnaie locale, nécessaires à l'exécution du Projet, conformément aux termes du présent Accord, en soumettant à l'USAID les demandes de financement de ces frais, accompagnées des pièces justificatives requises comme le stipulent les lettres d'exécution du Projet.
- (b) La monnaie locale requise pour ces déboursements peut être obtenue :

- (1) par acquisition par l'USAID avec des dollars E.U. à l'achat ; ou

(2) by USAID requesting the Grantee to make available the local currency for such costs, and thereafter reimbursing an amount of U.S. dollars equal to the amount of local currency made available by the Grantee.

SECTION 7.2. : Other Forms of Disbursement.

Disbursement of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. : Rate of Exchange.

Except as may be more specifically provided under Section 7.2., if funds provided under the Grant are introduced into Upper Volta by USAID or any public or private agency for purposes of carrying out obligations of USAID hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of Upper Volta at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Upper Volta.

Article 8 : Miscellaneus

SECTION 8.1. : Travel Authorizations and Visas.

The Grantee shall facilitate travel by project staff in Upper Volta, and to this end, the Grantee shall obtain or assist in obtaining required authorizations.

SECTION 8.2. : Communications.

Any notice, request, document, or other communication submitted by any Party to the other(s) under this Agreement will be in writing and will be deemed duly given or sent when delivered to such Party or Parties at the following addresses :

To the Grantees :

Ministry of Rural Development
Coordination Committee for Rural Development
BP 7005
Ouagadougou, Upper Volta

(2) par l'USAID en demandant au Bénéficiaire de mettre à sa disposition la monnaie locale pour de tels frais et, par la suite, en remboursant un montant en dollars E.U. équivalent à la monnaie locale mise à sa disposition par le Bénéficiaire.

SECTION 7.3. : Autres formes de déboursements.

Les déboursements de la Subvention peuvent également s'effectuer par d'autres moyens dont les Parties peuvent convenir par écrit.

SECTION 7.4. : Taux de change.

Sauf indication spécifique prévue à la Section 7.2., si les fonds fournis dans le cadre de la Subvention sont introduits en Haute-Volta par l'USAID ou par un organisme privé ou public pour satisfaire aux obligations de l'USAID, le Bénéficiaire prendra les mesures nécessaires pour s'assurer que ces fonds peuvent être convertis dans la monnaie de la Haute-Volta au taux de change le plus élevé, qui à l'époque de la conversion n'est pas illégal en Haute-Volta.

Article 8 : Divers

SECTION 8.1. : Autorisation de déplacement et visas.

Le Bénéficiaire devra faciliter les voyages en Haute-Volta du personnel du Projet et, dans ce but, le Bénéficiaire devra obtenir ou aider à obtenir les autorisations nécessaires.

SECTION 8.2. : Communications.

Tout avis, demande, document ou autre communication soumis par une Partie à/aux Parties de cet Accord sera par écrit et considéré comme remis ou envoyé lorsqu'il parviendra à la Partie ou aux Parties intéressée(s) à l'adresse suivante :

Pour le Bénéficiaire :

Ministère du Développement Rural
Comité de Coordination du Développement Rural
B.P. 7005
Ouagadougou, Haute Volta

Ministry of Education
University of Ouagadougou
Rector's Office
BP 7032
Ouagadougou, Upper Volta

Correspondence of a general nature affecting overall management of the Project or deemed of interest or action to the Parties should be sent to all Parties.

Correspondence of a specific nature affecting only the Institute Superior Polytechnic or the three field stations at Markoye, Banfora and Fada N'Gourma or the central research station at Gampela shall be addressed to the Ministry of Education.

Correspondence of a specific nature affecting only the Centres Agricoles Polyvalents at Boganda or Matourkou shall be addressed to the Ministry of Rural Development.

To USAID :

U.S. Agency for International Development
c/o American Embassy
B.P. 35
Ouagadougou, Upper Volta

The Grantee will provide the USAID/Ouagadougou with a copy of each communication sent to USAID/Washington.

SECTION 8.3. : Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the offices of Minister of Rural Development and Minister of Education, and USAID will be represented by the USAID Director, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1, to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to USAID, 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.

Ministère de l'Education Nationale
Université de Ouagadougou
Bureau du Recteur
B.P. 7032
Ouagadougou, Haute-Volta

La correspondance de nature générale touchant l'exécution de l'ensemble du Projet ou jugée d'intérêt ou pour une action des parties devra être envoyée à toutes les Parties.

La correspondance d'une nature spécifique ne touchant que l'Institut Supérieur Polytechnique ou les trois stations à Markoye, Banfora et Fada N'Gourma ou la station centrale de recherche à Gampela devra être adressée au Ministère de l'Education Nationale.

La correspondance d'une nature spécifique ne touchant que les Centres Agricoles Polyvalents de Bogandé ou Matourkou devra être envoyée au Ministère du Développement Rural.

Pour l'USAID :

Agence des Etats-Unis pour le Développement International
s/o Ambassade Américaine
B.P. 35
Ouagadougou, Haute-Volta

Le Bénéficiaire fournira à la Mission USAID Ouagadougou, une copie de chaque communication envoyée à l'USAID/Washington.

SECTION 8.3. : Représentants. Aux fins du présent Accord, le Bénéficiaire sera représenté par une personne occupant le poste de Ministre du Développement Rural et Ministre de l'Education Nationale, et l'USAID sera représenté par le directeur de la mission USAID, chacun d'eux pouvant, par avis écrit, désigner d'autres représentants à toutes les fins autres que celles d'exercer le pouvoir au titre de la Section 2.1, de réviser les éléments de la description fixée à l'Annexe 1. Les noms des représentants du Bénéficiaire accompagnés des signatures spécimens seront communiqués à l'USAID qui peut accepter comme étant agréé n'importe quel instrument signé par ces représentants en application du présent Accord jusqu'à réception de l'avis écrit de révocation de leur autorité.

SECTION 8.4. : Standard Provision Annex. A "Project Grant Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

SECTION 8.5. : Language of Agreement.

This Agreement is prepared in both English and French. In the event of ambiguity or conflict between the two versions, the English Language version will control.

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.

POR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

By : Pierre R. Graham
Pierre R. Graham

Title Ambassador of the United States

Date : June 8, 1978

SECTION 8.4. : Annex relative aux dispositions standards. Une "Annexe relative aux dispositions standards régissant la Subvention pour projet" (Annexe 2) figure ci-joint au présent Accord et en fait partie.

SECTION 8.5. : Libellé de l'Accord

Le présent Accord est préparé en Anglais et en Français. En cas d'ambiguité ou de conflit entre les deux versions, la version anglaise fera foi.

EN FOI DE QUOI, le Bénéficiaire et les Etats-Unis d'Amérique, chacun agissant par l'intermédiaire de son représentant dûment agréé, ont fait signer le présent Accord en leur nom et l'ont fait remettre à la date de l'année susmentionnée.

POUR LE GOUVERNEMENT DE LA REPUBLIQUE DE HAUTE-VOLTA :

Par : Patrice Ouattara
Patrice Ouattara

Titre Ministre du Plan

Date : 8 juin 1978

¹ See footnote 1, p. 3194.

ANNEXE 1Amplified Description of the ProjectArticle A : Background and Definitions

The purpose of this project is to improve the GOUV planning, administration, and implementation capability for rural development projects in Upper Volta through the expansion/creation of training centers for middle and upper level agricultural technicians and extension agents at ISP and CAP's.

U.S. technical assistance to fill teaching positions temporarily, the training of Voltaic teachers to fill these positions ultimately, and the construction and equipping of additional educational facilities will be the main avenues utilized to upgrade the present agricultural education system in Upper Volta.

This project involves not only increasing the capacities of Upper Volta's agricultural education facilities, but more important, providing them with technical assistance, training, and facilities necessary to make agricultural education more practically-oriented. Specific project elements include the following :

- 1 - Expansion of CAP-Matourkou to allow for greater student enrollment and for implementation of the total curriculum plan ; construction of buildings to house teachers and students ; approximately four person years of technical assistance services of a vocational agriculture specialist at Matourkou.
- 2 - Transportation and support facilities for three village centers around Matourkou to be used in practical training of CAP students and for applied extension work at the village level.
- 3 - Construction and equipment of a new CAP at Bogandé including classrooms, library, labs, dining hall, student and faculty

ANNEXE 1Description élargie du ProjetArticle A : Historique et Définitions

Ce projet vise à améliorer la capacité de planification, d'administration et de mise en œuvre du Gouvernement de Haute-Volta pour les projets de développement rural en Haute-Volta par l'expansion ou la création de centres de formation pour des techniciens de niveau moyen et supérieur en agriculture et agents de vulgarisation à l'ISP et aux CAP.

L'assistance technique requise pour combler les postes d'enseignement de façon temporaire, la formation de professeurs voltaïques capables d'occuper finalement ces postes, ainsi que la construction et l'équipement de centres additionnels d'éducation seront les buts pour améliorer le système actuel d'éducation agricole en Haute-Volta.

Ce projet implique non seulement l'amélioration des capacités du système d'éducation agricole en Haute-Volta, mais, plus encore une assistance technique, une formation et les facilités nécessaires pour une éducation agricole plus pratique. Les éléments spécifiques du Projet comprennent :

- 1 - L'extension du CAP de Matourkou afin de pouvoir recruter un plus grand nombre d'élèves et offrir le programme complet ; la construction de bâtiments pour héberger les enseignants et les élèves ; environ 4 hommes-années d'assistance technique d'un professionnel spécialiste en agriculture à Matourkou.
- 2 - Les moyens de transport et de soutien pour 3 centres villageois près de Matourkou pour la formation pratique des étudiants du CAP et pour le travail de vulgarisation appliquée dans les villages.
- 3 - La construction et l'aménagement d'un nouveau CAP à Bogandé y compris les salles de classe, une bibliothèque, des laboratoires

housing, and upgrading of necessary local infrastructure ; technical assistance at Bogandé consisting of approximately eight person years of technical assistance including a vocational agriculture specialist and an agronomist.

4 - Construction equipment of, and research funds for, three ISP regional field stations at Banfora, Fada N'Gourma, and Markoye and a central research station at Gampala, for use by ISP students and professors in field experimentation and practical training in crop, livestock, and forestry production.

5 - Approximately ten person years of technical assistance to teach forestry, agronomy, and livestock at ISP.

6 - Short-term technical assistance at Matourkou (approximately 24 person-months), Bogandé (approximately 48 person-months), and ISP (approximately 36 person-months) in areas such as : agricultural economics, rural sociology, fisheries, horticulture, agricultural engineering, soil science, plant breeding, plant pathology, entomology, home economics, agronomy, animal husbandry, forestry, and agricultural extension.

7 - Participant training, within Upper Volta and outside the country, for existing and future ISP and CAP teachers.

Article B : Inputs

USAID project inputs are in the form of funds for personnel for technical assistance (technical advisors, consultants, project manager) training, construction, and commodities. The total US contribution to the project is estimated at \$ 9,457,000 over five years. The GOUV of Upper Volta will contribute land, personnel, buildings and equipment, livestock and operating costs. The total GOUV contributions to the project is estimated at \$ 6,079,000 over five years.

une salle à manger, des habitations pour les élèves et les enseignants et l'amélioration de l'infrastructure locale requise ; l'assistance technique à Bogandé comprendra environ huit années-hommes d'assistance technique, y compris un professionnel spécialiste en agriculture, un spécialiste en aménagement des pâturages et en élevage et un agronome.

4 - L'obtention de fonds pour la recherche la construction et l'équipement de 3 stations régionales ISP à Banfora, Fada N'Gourma et Markoye et une station centrale de recherche à Gampala pour permettre aux élèves et professeurs de l'ISP d'entreprendre des expériences et d'avoir une formation pratique en agriculture, élevage et sylviculture

5 - Environ dix années-homme d'assistance technique pour enseigner la sylviculture, l'agronomie et l'élevage à l'ISP.

6 - Une assistance technique à court terme à Matourkou (environ 24 mois-homme) ; à Bogandé (environ 48 mois-homme) et à l'ISP (environ 48 mois-homme) dans les disciplines suivantes : économie agricole, sociologie rurale, pêche, horticulture, génie rural, pédologie, sélection des plantes, phytopathologie, entomologie, économie familiale, agronomie élevage sylviculture et vulgarisation agricole.

7 - Des stages de formation, en Haute-Volta et à l'étranger, pour les professeurs actuels et futurs de l'ISP et du CAP.

Article B : Contributions

Les contributions de l'USAID au projet se feront sous forme de fonds pour couvrir les frais du personnel de l'assistance technique (conseillers techniques, consultants, responsables du projet) les frais de formation, de construction et de matériel. La contribution totale des Etats-Unis au projet est estimée \$ 9,457,000 pour cinq ans. Le Gouvernement de Haute-Volta mettra à la disposition du projet le terrain, le personnel, les bâtiments et l'équipement, le bétail et couvrira les frais de fonctionnement. La contribution totale du Gouvernement de Haute-Volta au projet est estimée à \$ 6,079,000 pour cinq ans.

Article C : Outputs

Project outputs are basically in the two areas of trained agricultural extension personnel and training infrastructure.

Over the life of the project substantial increases in trained personnel for the Voltaic agricultural education system are expected. While it will not be possible to meet all of Upper Volta's needs in this area within the five-year span of this project, certain measurable increases in personnel will be made for each of the agricultural education institutions benefiting from this project.

Article D : End of Project Status

End of Project targets include :

- 1 - Increase to 150 students trained per year at Matourkou CAP at CTA and ATA levels. Some additional encadreur training will be included as an important link between the extension system and the farmer.
- 2 - The increase of 60 new students trained at Bogande CAP per year once the school is operational.
- 3 - The training each year by ISP of 25 Ingénieurs de Développement Rural with additional practical and pedagogical training.
- 4 - Additional Voltaic professors trained for ISP through special programs outside Upper Volta.
- 5 - Additional teachers available for CAP at Matourkou and new CAP Bogande through expansion of ISP facilities and additional training of Voltaic staff there and elsewhere.

Article E : Implementation

This project will be implemented within the Ministries of Education and Rural Development. The implementing agencies of this project

Article C : Réalisations

Les réalisations du projet se situent à deux niveaux : la formation d'un personnel de vulgarisation agricole et une infrastructure de formation.

Pendant la durée du projet une augmentation substantielle de personnel formé pour le système d'éducation agricole voltaïque est attendu. Bien qu'il ne sera pas possible de satisfaire tous les besoins de la Haute-Volta dans ce domaine pendant les cinq années du projet, on observera une augmentation certaine du personnel de chaque institution d'éducation agricole qui aura bénéficié de ce projet.

Article D : Les Réalisations à la fin du projet

Les objectifs pour la fin du projet comprennent :

- 1 - L'augmentation du nombre d'étudiants formés au CAP de Matourkou à 150 par année pour les niveaux CTA et ATA. La formation d'encadreurs additionnels sera également partie du projet comme lien important entre le système de vulgarisation et le paysan.
- 2 - L'augmentation à 60 du nombre d'étudiantes formées au CAP de Bogandé par an, une fois que l'école sera fonctionnelle.
- 3 - La formation chaque année par l'ISP de 25 ingénieurs de développement rural avec, en plus, une formation pratique et pédagogique.
- 4 - L'accroissement de professeurs voltaïques formés pour l'ISP par des programmes spéciaux à l'étranger.
- 5 - L'accroissement d'enseignants disponibles pour le CAP de Matourkou et le nouveau CAP de Bogandé grâce à l'extension des aménagements de l'ISP et la formation de personnel additionnel à l'ISP et ailleurs.

Article E : Mise en Ouvre

Ce projet sera mis en œuvre sous la tutelle des Ministères d'Education Nationale et de Développement Rural. Les agents d'exécution de

will be the University of Ouagadougou through the Rectorate and the Coordination Committee for Rural Development (CCDR) through the Unit of Community Development. These implementing agencies will delegate their responsibilities for operation and decision making to the Directories of ISP and of the CAP's respectively.

USAID will provide a Project Advisor whose primary responsibility will be project implementation (management, procurement, monitoring, etc...). The Project advisor will have three GOUV counterparts : the directors of ISP, CAP-Matourkou and CAP-Bogandé.

In collaboration with the USAID Project Advisor the implementing agencies will manage the education system, the technical assistance and local commodities procurement of this project. United States commodities procurement will be handled by a procurement agency such as the Afro-American Purchasing Center (AAPC)

ce projet seront l'Université de Ouagadougou par l'entremise du Rectorat et le Comité de Coordination du Développement Rural (CCDR) par l'entremise de la Cellule de Développement Communautaire. Ces agents d'exécution délégueront leurs responsabilités de gestion et de prise de décision respectivement aux directeurs de l'ISP et des CAP.

L'USAID fournira un Conseiller de projet qui aura la responsabilité première de la mise en œuvre du projet (gestion, achats, contrôle, etc...). Le responsable du projet aura trois homologues voltaïques : les directeurs de l'ISP, du CAP de Matourkou et du CAP de Bogandé

En collaboration avec le responsable USAID du projet, les agents exécutifs dirigeront le système éducatif, l'assistance technique et les achats de biens locaux nécessaires à ce projet. Les achats de biens américains seront assurés par une agence comme celle de l'Afro-American Purchasing Center (AAPC). (Centre d'Approvisionnement Afro-Américain).

Article F : Financial Plan

A financial plan is attached as Attachment 1 to Annex 1. This plan is subject to change by representatives named in Section 8.3. without formal amendment of the Grant Agreement. Transfers may be freely made between line items provided that no line item is increased more than 15 % without written agreement of the Parties and further provided that the total funds obligated by USAID is not exceeded.

Article G : Disbursement Procedures

The disbursement for local currency operating expenses will be by reimbursement. A local currency account will be established at a local bank. Upon application by the Grantee USAID will advance funds equivalent to three months estimated expenditures which will be deposited in such account. Project expenditures will be paid from the account

Article F : Plan financier

Le plan financier constitue la pièce No 1 attachée à l'Annexe 1. Ce plan est susceptible d'être changé par des représentants nommés à la Section 8.3. sans modification de fond de l'Accord de Subvention. Les transferts entre rubriques peuvent s'effectuer librement, pourvu qu'aucune rubrique ne soit augmentée de plus de 15 % sans un accord signé des deux Parties, en outre, le total des fonds imposés par l'USAID ne devra pas être dépassé.

Article G : Procédures de Déboursement

Le déboursement pour les dépenses encourues en monnaie locale sera effectué par remboursement. Un compte en monnaie locale sera ouvert dans une banque du pays. En application de l'accord, l'USAID déposera dans ce compte des fonds équivalents aux dépenses estimées de 3 mois. Les dépenses du projet seront payées à partir de ce compte et le Bénéficiaire

and periodically, but at least quarterly, the Grantee may submit billings or statements to USAID for replenishment. The Grantee will submit to USAID a quarterly financial accounting report, in a form acceptable to USAID, of project activity for the preceding quarter and cumulative to date, as well as estimated projected expenditures for the upcoming quarter. When the balance of the advance is equivalent to the estimated remaining expenditures to be funded, USAID may process the decomptes as "no pay" vouchers until the advance is liquidated.

pourra périodiquement, mais au moins trimestriellement, soumettre les factures et les décomptes à l'USAID pour réapprovisionnement des dépenses autorisées. Le Bénéficiaire soumettra trimestriellement un rapport financier sous une forme acceptable par l'USAID des activités du Projet du trimestre précédent, cumulatif à cette date ainsi qu'une estimation des dépenses projetées pour le trimestre suivant. Quand le solde de l'avance est équivalent aux dépenses estimées qui restent à financer, l'USAID peut procéder à des décomptes comme "factures impayées" jusqu'à ce que l'avance soit liquidée.

ATTACHMENT NO 1
ANNEX 1

PROJECT FINANCIAL PLAN (PLAN FINANCIER DU PROJET)
(Source and Application of Funding - \$ thousands)
(Source et Application des Fonds - \$ Mille)

As of April 1978

Project No 686-0221

AMOUNT FOR AN INCREMENTALLY FUNDED PROJECT (MONTANT POUR UN PROJET FINANCE PAR TRANCHES)

PROJECT INPUTS (REALISATIONS DU PROJET)	CUMULATIVE OBLIGATIONS/COMMITMENTS : AS OF 30 SEPTEMBER 1978			FUTURE YEARS ANTICIPATED : PASTED : TOTAL				
	(OBLIGATIONS ENGAGEMENTS CUMULATIFS : EN SEPTEMBRE 1978)			(ANNÉES FUTURES ENVISAGÉES)				
	USDAO	GRANTEE	FX :	LC :	USDAO	GRANTEE	USDAO	GRANTEE
PERSONNEL	1085.5	184.5		286	1790	2091	3060	2377
COMMODITIES (MATERIELS)	11	143	-	-	1408	-	1562	-
TRAINING (FORMATION)	73	3	-	-	1268	-	1344	-
OTHER COSTS (AUTRES FRAIS)	-	500	-	1349	2991	2353	3491	3702
TOTAL	1169.5	830.5	-	1635	7457	4444	9457	6079
GRAND TOTAL	2000			1635	7457	4444		15,536

FX - Foreign Exchange (Devises étrangères)

LC - Local Currency (Monnaie locale)

BANGLADESH

Agricultural Commodities: Food for Development Under Title III

*Agreement signed at Dacca August 2, 1978;
Entered into force August 2, 1978.
With agreed minutes.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH FOR A PUBLIC LAW 480 FOOD FOR DEVELOPMENT (TITLE III) PROGRAM

The Government of the United States of America and the Government of the People's Republic of Bangladesh have agreed to the Food for Development Program as specified below. This agreement shall consist of the Preamble, Parts I and III of the PL-480 Title I Agreement of October 4, 1974,[¹] together with the following Part II (Particular Provisions), Annex A (PL-480 Title III Food for Development Program) and Annex B (Program Description).

PART II PARTICULAR PROVISIONS

Item I -- Commodity Table:

Commodity	Supply Period (U.S. Fiscal Yr)	Approx. Quantity (Metric Tons)	Max. Export Market Value (Millions)
Wheat/Wheat Flour (Wheat Basis)	1978	200,000	\$26.0

Item II -- Payment Terms:
(Convertible Local Currency Credit-CLCC)

- (1) Initial payment -- none.
- (2) Currency use payment -- none.
- (3) Currency use offset -- up to one hundred percent (100%) of the value of financing provided under this agreement, to support the Food for Development Program identified in Item VII.
- (4) Number of installment payments -- thirty-one (31).
- (5) Amount of each installment payment -- approximately equal annual amounts.

¹TIAS 7949; 25 UST 2833.

- (6) Due date of first installment payment -- ten (10) years after date of last delivery of commodities in each calendar year.
- (7) Initial interest rate -- two percent (2%).
- (8) Continuing interest rate -- three percent (3%).

Item III -- Usual Marketing Table:

<u>Commodity</u>	<u>Import Period (U.S. Fiscal Yr)</u>	<u>Usual Marketing Requirements</u>
Wheat and/or Wheat Flour (on a grain equivalent basis)	1978	None

Item IV -- Export Limitations:

- A. The export limitation period shall be U.S. fiscal year 1978 or any subsequent U.S. fiscal year during which commodities financed under this agreement are being imported or utilized.
- 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, wheat flour, rolled wheat, semolina, farina, and bulgur (or the same product under a different name).

Item V -- Self-Help Measures:

- A. The Government of Bangladesh (BDG) will continue to place special emphasis on actions 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. To increase domestic production, the BDG agrees to:
- (1) improve the system for the distribution of agricultural inputs including expanding the number of fertilizer retail outlets and simplifying procedures to ensure greater accessibility by all farmers; (2) pursue agricultural research goals which aid to increase and diversify food production; (3) take effective measures to disseminate agricultural research information through the extension service and by other means to Bangladesh farmers; (4) strengthen rural institutions and promote participation in agriculture and other productive processes; and (5) strengthen and expand cash-based rural works programs generating rural purchasing power.
- C. To ensure remunerative prices for domestic agricultural production the BDG also agrees to make timely, appropriate and sufficient efforts to reach the government's fiscal year 1978-1979 voluntary procurement target of 600,000 tons of foodgrains; announce the procurement price for the spring 1979 boro crop including high-yielding varieties prior to the sowing season; encourage the active participation of private dealers in food procurement; limit all foodgrain imports to the minimum necessary to meet the difference between domestic production and total domestic requirements.
- D. To improve planning for agricultural development and the food needs of its population, the BDG agrees to

accord high priority to the task of developing policy options with respect to the rationalization of agricultural development goals, rural income and employment goals and maintenance of reliable supplies of foodgrains for the urban sector and the society's destitute. The new food policy unit to be established by the BDG will be the focal point of this effort.

- E. To improve access of poorer segments to food, while increasing the market for domestic food production, the BDG agrees to a gradual shift of the ration system toward the more vulnerable groups, beginning in 1978. This effort will include, for example, reducing the subsidy and/or quantity of the ration in the statutory ration areas. The BDG will continue to limit during 1978-1979 modified rationing to Class "A" card holders, except in emergency.
- F. To protect its food supplies, the BDG agrees to continue to improve and upgrade foodgrain storage and stock management to ensure the effective and economic management of its foodgrain stock and distribution systems.
- G. To assure coordination of food imports, the BDG agrees to provide to the U.S. Government (USG) monthly (within thirty days of the close of the month) statistics on its foodgrain stock position (e.g. opening stocks, actual arrivals, actual offtakes and actual procurement and closing stocks) and forecasts of future foodgrain stock positions under various agricultural conditions.

Item VI -- Economic Development Purposes for Which Proceeds
Accruing to the Importing Country Are to be Used:

- A. The proceeds accruing to the BDG from the sale of commodities financed under this agreement will be used for financing the Food for Development Program identified in Item VII, or to the extent that such proceeds may not be used for such purpose, for financing the self-help measures set forth in Item V and for other development activities in agriculture, rural development, population, family planning and health included in the BDG's annual development plans.
- 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.

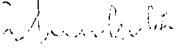
Item VII -- Food for Development Program to Which Currency
Use Offset Applies:

Annexes A and B set forth the understandings of the parties concerning the Food for Development Program to be undertaken by the BDG with the proceeds from the sale of agricultural commodities financed by this agreement. In the event of any inconsistencies between the provisions of Parts I, II and III of this agreement and Annexes A and B, such annexes shall be controlling.

Annexes A and B are incorporated in the agreement. Annex A is intended to be applicable to the Food for Development Program for Bangladesh. Annex B describes the specific Food for Development Program of the BDG.

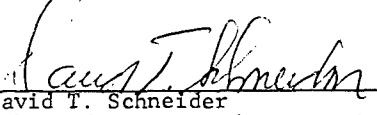
IN WITNESS WHEREOF, the parties each acting through their duly authorized representative, have caused this agreement to be signed in their names and delivered as of the day and year written below.

FOR THE PEOPLE'S REPUBLIC
OF BANGLADESH


A.M.A. Muhith, Secretary
External Resources Division
Ministry of Planning

Date: Aug 2, 1978

FOR THE UNITED STATES
OF AMERICA


David T. Schneider
Ambassador Extraordinary and
Plenipotentiary

Aug 2, 1978

ANNEX A

FOOD FOR DEVELOPMENT PROGRAM

The Government of The United States (USG) and the Government of Bangladesh (BDG):

Recognizing the policy of the USG to use its agricultural productivity in a manner which will establish a strong relationship between food assistance and efforts by the BDG to increase the availability of food for the poor, and to improve in other ways the quality of their lives; and

Having agreed upon a proposal for the intended use of commodities or funds generated from the sale of such commodities to increase the access of the poor in Bangladesh to a growing and improving food supply through activities designed to improve the production, protection and utilization of food, and to increase the well-being of the poor in the rural sector of Bangladesh; and

Desiring to set forth the understandings that will govern the sale of agricultural commodities in Bangladesh in order to carry out the above-mentioned proposal pursuant to the authority of the Agricultural Trade Development and Assistance Act of 1954, as amended^[1] (hereinafter referred to as the Act), and the measures the two Governments will undertake to further the above mentioned policies;

Agree as follows:

Item I. Responsibilities of the USG.

A. Subject to the availability of funds and commodities, the USG agrees to furnish credit under authority of Title I of the Act to the BDG for the purchase of agricultural commodities over the life of the Food For Development Program as set forth in Annex B of this Agreement.

B. On receipt of satisfactory evidence of disbursements from the special account for eligible uses by the BDG described below for the activities and/or programs described in Annex B, the USG will apply such disbursements against the Title I payment obligation incurred under this Agreement as set forth in Items II and III below.

^[1] 68 Stat. 454; 7 U.S.C. § 1701 *et seq.*

Item II. Responsibilities of the BDG.

A. The BDG agrees to carry out the program detailed in Annex B. In carrying out such program, the BDG agrees that it will:

1. Use the total amount of the commodities and proceeds generated from the sale of agricultural commodities financed under this Agreement to finance the development activities specified in Annex B.

2. Submit on or before November 1 of each year during the period of this Agreement a comprehensive report to the USG on the activities and progress achieved under the Food For Development Program, for the United States fiscal year ending September 30 including, but not limited to, a comparison of results with program targets, a specific accounting for commodities and funds generated, their uses, the outstanding balances at the end of the most recent fiscal year, and any recommendations of the BDG for modification and improvement of the Food For Development Program.

3. Maintain adequate records for not less than three years after completion of the program to permit review and audit by the USG of measures taken to implement the Food For Development Program.

B. The BDG agrees to establish a special account in which it will deposit not later than six calendar months after the date of disbursement by CCC, the proceeds generated from the sale of the commodities provided to it for the Food For Development Program set forth in Annex B of this Agreement. Part I, Article II F of this Agreement shall not apply to sales proceeds disbursed from the special account for the Food For Development Program.

Item III. Credit for Title I Loan Indebtedness.

The USG and the BDG agree that:

A. The dollar equivalent of local currency disbursed for eligible uses identified in Annex B shall be calculated at the exchange rate specified in Part I, Article III G of this Agreement, applicable on the date of disbursement from the special account.

The dollar equivalent of local currency disbursed for the eligible uses identified in Annex B shall be credited as payment for the purpose of Part I, Article II H of this Agreement against (1) 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 (2) the combined payments of principal and interest starting with the first installment payment until the value of the local currencies disbursed has been offset.

B. For the period during which disbursements are made in accordance with paragraph A, above, the BDG will furnish the USG a quarterly report of the deposits and disbursements made, certified by the appropriate audit authority of the BDG and a description of the activities for which the disbursements were made.

C. Not less than 60 days before the first Title I loan installment becomes due under the terms of Part II, Item II of this Agreement, and annually thereafter, as may be appropriate, the USG will provide a schedule of amounts disbursed from the special account, showing application to Title I payment obligation.

D. The USG reserves the right to review use of disbursements and to determine eligibility for application against Title I payment obligations under this Agreement. If the USG determines that a disbursement was made for an ineligible use, notice of such ineligibility shall be given by the USG to the BDG and the two Governments shall, upon request of either, consult regarding such ineligibility. If the notice of ineligibility is not rescinded by the USG within 90 days of receipt of such notice by the BDG, disbursements for ineligible uses shall not be applied to the indebtedness, and, at the option of the USG the equivalent amount shall be restored to the special account. To the extent that any disbursements for ineligible uses were previously applied by the USG against the Title I payment obligation such application will be cancelled.

E. The USG shall have the right at reasonable times to inspect activities under the FFD Program and inspect and audit records, procedures, and methods pertaining to the disbursements made from the special account.

F. If currencies remain in the special account after completion of the Program set forth in Annex B, the BDG shall use the remaining currencies for such economic development purposes as the two Governments may agree.

G. Annually at such time as the two Governments may agree, representatives of the parties will meet in a place mutually agreed upon, to discuss and review the progress of the Food For Development Program to consider modifications and improvements, and to determine the amounts and kinds of commodities to be financed under this Agreement during that year of the Food For Development Program.

IV. Implementation of the Food For Development Program.

A. The Food For Development Program, which is further described in Annex B, will consist of activities of the BDG designed to assure remunerative prices to small farmers, stabilize food prices and increase food available to poor consumers during the lean season, develop and extend the technical base for small farmer agriculture, to improve small farmer access to necessary production inputs such as land and water, to improve the marketing system serving small farmers, to improve the management and planning of the agricultural sector, to increase the number of trained small farmers and technicians, to control communicable disease, and to reduce the incidence and effects of malnutrition. Annex B amplifies the above description of the Food For Development Program.

B. The Food For Development Program which is further described in Annex B, will consist of activities of the BDG designed to develop and implement an open market sales program to stabilize price to consumers, to support the modified ration system for distribution to those persons in the quote A unquote category, to maintain incentive prices to farmers, and to utilize sales proceeds for agreed development purposes.

V. Suspension of the Agreement.

The USG shall annually review the performance and implementation of this Agreement by the BDG. If the USG finds that the provisions of this Agreement are not being substantially met, no further financing

under this Agreement shall be extended until the end of the following United States fiscal year or until the situation is remedied, whichever occurs first, unless the failure to meet the provisions is due to unusual circumstances beyond the control of the BDG.

ANNEX B

PROGRAM DESCRIPTION

Item I. Purpose

A. Overall development effort to be addressed:

The BDG's goal to achieve foodgrain self sufficiency by 1985/86 can be achieved only by concerted and simultaneous actions to increase agricultural production and to decrease the rate of population growth.

B. Proposed Title III Program

The purpose of this Food For Development Program is to stabilize grain prices during the agricultural year and to provide resources in support of specific BDG agricultural development programs. The Program will entail the maintenance of incentive prices during the months when foodgrain prices are low, the distribution of subsidized foodgrain to some of the poorest people in the society, and the allocation of local currencies generated through open market sales (OMS) and modified ration system (MR) for the sectors of the BDG development budget agreed upon herein.

Item II. Background and Setting

In the past, the P.L. 480 Title I self help measures have related to improving the terms of trade for agricultural producers by improving the input cost - output price relationship in such a manner that all farmers, especially sharecroppers, would have an incentive to adopt HYV technology. More specifically, the self help measures have emphasized the following: shifting urban purchasing power from the statutory ration system to the open market supplied by Bangladeshi farmers; increasing the domestic procurement effort to maintain agricultural prices at harvest times; and using free or concessionally financed imported foodgrains to meet the needs of the poor.

In 1977/78, the BDG mounted a large scale domestic procurement program which effectively maintained open market prices during the major aman harvest. In this manner one part of the agricultural policy objective was achieved. However, the Government continues to rely on the ration system to constrain prices during those months of the year when foodgrains are in short supply -- the so called lean seasons.

In a typical year the price of coarse rice may fluctuate about 40 percent between the major aman harvest in December and January and the height of the lean season which occurs in October. Low prices at harvest times are a profound disincentive. High prices during the lean season reduce the real incomes of everyone, especially for the urban poor, the rural landless and small farmers who do not grow enough foodgrain for home consumption throughout the year. Open market sales are believed to be the most effective mechanism for constraining foodgrain prices during the lean seasons (approximately March - April and August - October).

Item III. Program Description

The P.L. 480 Title III Food For Development Program has four distinct components: (A) maintenance of incentive prices to farmers; (B) control of prices during the lean seasons through open market sales by licensed grain dealers and flour millers; (C) the distribution of subsidized foodgrain to poor rural consumers through the modified ration system; and (D) the utilization of the sales proceeds for agreed development purposes. The Program will be subject to evaluations as provided in Annex A. The Program will provide 800,000 MT of wheat over 3 U.S. fiscal years, including: 400,000 MT for open market sales, 200,000 MT for the modified ration system and an additional 200,000 for open market sales if demand requires it. Otherwise the last 200,000 MT will be allocated to the modified ration system category A.

A. Incentive Prices to Farmers.

The BDG will maintain open market foodgrain prices throughout the year through its domestic procurement program. The target stabilization price range for various crops will be within approximately Taka 5 to 10 per maund (US dollar equals Taka 15) of the Government's official domestic procurement prices for these crops. The Food Department will continue to procure all grain available at the announced prices during the harvest seasons.⁷ It will also continue procurement operations at all procurement points throughout the year, in order to avoid the possible adverse impacts on production incentives which might otherwise result in some areas when increased grain is available through the open market sales system.

The annual evaluation will provide for a review of the BDG's official domestic procurement prices to ensure that the margin between output prices and input costs is adequate to promote the adoption of high yielding varieties among small farmers and sharecroppers.

B. Open Market Sales

The BDG will conduct open market sales during the year, particularly during the lean seasons. The lean seasons are March - April, immediately before the boro rice harvest, and August - October, prior to the major aman harvest. The sales program will include the following features:

1. Open market sales will be initiated during each year well in advance of the lean seasons when open market prices so indicate. Sales will continue through each lean season. Before the end of October and April, the foodgrain situation and harvest outlook will be reviewed to determine whether the open market sales period should be extended.
2. The initial phase of open market sales will be confined to wheat only. To this end, subject to commodity and budget availabilities, the USG will provide a total of 400,000 tons of wheat over the 24 months of the Title III Program. An additional 200,000 tons may be utilized for open market sales, depending upon demand; otherwise these supplies will be utilized in the modified ration system.
3. The points of sale will be the Ministry of Food's Central Supply Depots (CSDs) and Local Supply Depots (LSDs) including all LSDs and CSDs in statutory ration areas.
4. The Ministry of Food will offer wheat for sale to any licensed dealer and flour miller in any quantity above a minimum sized lot of 10 maunds (one maund equals 82.29 lbs. or 823 pounds) and up to a maximum of 200 maunds in one transaction from the CSD or LSD godowns. In addition to sales to licensed dealers, the BDG will explore the feasibility of selling wheat from CSDs and LSDs to any individual or group of persons willing to purchase at least the 10 maund minimum in order to ensure competition and avoid excessive profits by a few individuals.
5. The sales price to the licensed dealers will be fixed each year and will remain valid throughout the lean seasons. The

sales price for wheat for the first year of open market sales will be Taka 85 per maund. Either party to this Agreement may call for a review of the wholesale price of wheat to licensed dealers and flour millers and the open market sales price may be changed by the mutual agreement of both parties as recorded in an exchange of letters. The price may be adjusted in the second year by the mutual agreement of both parties. The sales price each year should be high enough to prevent undue adverse impact on rice prices. It also needs to be high enough to provide an incentive to dealers to buy grain from farmers during the harvest season and stock it for later sale.

The BDG will advertise the sales price to licensed dealers and flour millers in the public media including the Bengali Language Press and radio on a regular basis. In addition the official wholesale price will be posted at the point of sale in BDG Central and Local Supply Depots.

6. The licensed dealers and flour millers will be free to sell the wheat at any price to consumers.

7. The BDG will meet the wholesale demand for wheat during the lean seasons provided that the overall foodgrain stock level for the public distribution system does not fall below 500,000 tons with a minimum wheat stock of 250,000 tons during the lean months.

8. The BDG shall meet the grain price stabilization objectives through open market sales according to market demand throughout the lean seasons. If foodgrain stocks fall below 500,000 tons and if wheat stocks drop below 250,000 tons the BDG may stop open market sales, postponing the use of commodities provided for open market sales under this agreement until a later time.

9. If this experimental program demonstrates that the open market sales mechanism can work effectively, the BDG may include rice as a commodity for open market sales.

C. Distribution of subsidized foodgrain to poor consumers

The Title III Agreement will provide 200,000 tons of wheat over the 24 months of the Program, to be allocated to the modified

ration system for distribution to those persons in the quote A unquote Category, i.e. whose incomes are so low that they pay no tax whatsoever to the Government. Up to an additional 100,000 tons of wheat may be provided through the modified ration system each 12 month period under the Title III Agreement, in the event that demand for wheat through open market sales is no more than 200,000 tons per annum.

D. Use of Title III Sales Proceeds

The proceeds from the sale of Title III wheat will be segregated from general revenue receipts by the BDG and deposited in a special account.

Sales proceeds shall be disbursed from the special account to support the BDG's Development Programs/Projects in the BDG's FY 1978/79 to 1980/81 Annual Development Plans. The BDG will use the local currency proceeds for its approved development programs in:

	<u>Taka Millions</u>
<u>Rural Development Sector:</u>	
1. Construction of Thana Training and Development Centre Complexes	20
2. Construction of Thana Workshops and Godowns	9
<u>Agriculture Sector:</u>	
1. Establishment of Agriculture Training Institutes	17
2. Shallow Tubewell Irrigation Project	40
3. Construction of Fertilizer Godowns	25
4. Procurement and Distribution of Chemical Fertilizers	700
5. Rural Development Extension Project	20

Health and Population Sectors:

1. Construction, Equipping and Operation of Family Welfare Centres	92
2. Zero Population Growth Project	3.5
3. Thana Health Complexes	270
Total	1,196.5

Upon receipt of certified reports from the BDG that the sales proceeds have been utilized in the agreed manner, and upon an independent confirmation by the USG, the BDG's dollar repayment obligation under the Title III Agreement will be reduced in accordance with Item III A of Annex A.

Item IV. Program Requirements

Given the many unknowns about the marketing of foodgrains -- for example the price elasticity of demand for wheat, the cross elasticity of demand of wheat for rice, the size of future rice and wheat harvests, per capita consumption of foodgrain, and the volume of foodgrain transactions in the private sector -- the total amount of wheat required for lean season open market sales can only be roughly estimated. The USG and the BDG agree that the best approach is to test open market sales and to evaluate the impact upon prices and the ration system. Based upon an evaluation of the first year program, the volume of foodgrain made available for open market sales may be adjusted. The 100,000 tons allocated to the modified ration system represents about one quarter of the annual requirement for this category of the public distribution system. If the amount allocated to open market sales proves to be too large, the difference would be reallocated to the modified ration system.

Item V. Evaluation

The BDG and the USG will evaluate the Program as set out below. The USG expects to work with the new food policy unit on these evaluations.

An evaluation, as provided in Section III G of Annex A, of the first year's experience shall be held prior to reaching a decision on the exact allocation of foodgrains for FY 1979 and 1980. The ultimate test of the Program is whether -- through a combination of domestic procurement during the harvest seasons and open market sales -- foodgrain prices can be contained within a range of 20 to 25 percent between the low and high points in the cycle.

At the end of the first full year, a decision on second year shipments will be made on the basis of the BDG's performance against benchmarks in the four areas listed below. Modification in prices and other features of the Program might also be made on the basis of this evaluation.

A. Benchmarks

1. Incentive prices to farmers will be maintained through the BDG's domestic procurement program throughout the year.

Incentive prices are defined as an open market price within Taka 5 to 10 per maund of the official domestic procurement price per maund. The BDG will encourage private sector purchases to complement its own effort.

2. An open market sales mechanism will be installed and operating effectively with yearly sales of some 200,000 to 300,000 tons of wheat from Central and Local Supply Depots to licensed dealers.

3. The seasonal fluctuations of foodgrain prices will be contained within a narrower range than the historical pattern.

4. Modified ration system distribution to card "A" recipients will total about 400,000 tons of wheat for each 12 month period of which 100,000 tons could have been supplied under Title III.

B. Additional review and evaluation requirements are covered in Item II A (2), Item III B, Item III D, and Item III G of Annex A.

C. The project will be evaluated not less than annually in accordance with Item II (A) (3). A detailed methodology will be developed during the first year. It will include elements such as but not limited to the following:

1) Detailed monthly reports from the Ministry of Food on procurement operations, ration system offtakes, and open market sales, to assess the volume of these transactions.

- 2) Daily price reports from the Ministries of Food and Agriculture covering 67 significant markets around the country.
- 3) Monitoring of wholesale transactions between the Ministry of Food and licensed dealers by the BDG and the USAID Mission to assess retail sales in village markets.
- 4) Analysis of cases in which open market sales fail to stabilize prices within the agreed range..
- 5) Continuing evaluation, by the BDG and USAID Mission, of agricultural input costs, including the extra costs borne by sharecroppers and small farmers, and the relation of input costs to output prices at harvest and to the open market sales price.

AGREED MINUTES OF THE NEGOTIATIONS BETWEEN THE UNITED STATES OF AMERICA (USG) AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH (BDG) FOR A PUBLIC LAW 480 FOOD FOR DEVELOPMENT PROGRAM (TITLE III)

1. The Agreement

USG officials advised that the agreement provides for (1) the supply of 200,000 metric tons of wheat/wheat flour with a total export market value of \$26 million during FY 1978 and indicates a multi-year commitment (covering FY 1978, 1979 and 1980) to provide a total of 800,000 metric tons of wheat with a projected value of \$104 million over the life of the agreement; and (2) for the inclusion of a Food for Development Title III provision which calls for the BDG to carry out a grain price stabilization program over the three-year period of the agreement.

USG officials explained that the duration of the program is intended to be 24 calendar months from the date the original agreement is signed and that this period would encompass parts of three U.S. fiscal years.

BDG officials noted that the agreement provides for the possible importation of wheat flour to which they do not agree given severe problems of handling and storing wheat flour in large quantities.

2. Commodity Deliveries

USG officials reminded the BDG representatives of the importance of arranging purchases and scheduling shipments to ensure that deliveries are made to vessels at U.S. ports by not later than September 30, 1978. Any deliveries after that date will be charged against FY 1979, and may have the effect ultimately of reducing the value of financing which

can be made available over the three-year period of the Food for Development (FFD) program.

USG officials suggested that after the United States Department of Agriculture (USDA) issues the Purchase Authorization, and as soon as commodities are purchased and vessels booked, the BDG should promptly open letters of credit for both commodities and freight.

USG officials advised that in case unit prices become higher than those projected in valuing this agreement, purchases will be limited to the dollar value specified in the agreement, in accordance with Article I E, Part I of the agreement.

3. Payment Terms

In view of the combination of an FFD program with the proposed agreement, no initial payment or currency use payment is required. A currency use offset of up to 100 percent of the value of financing provided under the agreement is provided to fund the FFD program outlined in Annex B.

4. Usual Marketing Requirements

The Usual Marketing Requirement (UMR) for wheat/wheat flour as set forth in Item III, Part II is not applied because of the BDG's financial and economic situation.

5. Export Limitations

Provisions shown under paragraphs A and B, Item IV of Part II are standard.

6. Self-Help Measures (Item V, Part II) and Sales Proceeds

USG officials explained that inclusion of an FFD provision in this agreement does not relieve the USG of the legal requirement in Section 109 of the Act.

Language indicated in Item VI, Part II of the agreement indicates that sales proceeds are to be used for the FFD program outlined in Annex B. However if for any reason generated sales proceeds are not used for that approved program, such proceeds are to be applied to Items V and VI of Part II of the agreement.

Any interest which may be earned from the local currency deposits in the special account would not be eligible for use under the loan forgiveness provisions of the agreement.

7. Reporting Requirements

USG officials noted that reporting is an essential part of the Title I PL-480 program. The BDG is responsible for the submission of timely reports on compliance, shipping and arrival information, self-help and uses of sales proceeds, as required under the provisions of the agreement.

8. Operational Considerations

The USG officials advised the BDG officials that commodity suppliers are refusing to load vessels when acceptable letters of credit for both commodity and freight suppliers are not available at the time of loading. This has resulted in costly claims by vessel owners for demurrage and/or detention claims and carrying charges by commodity suppliers. Delays in opening letters of credit and settlement of final ten percent of freight will also result in higher commodity prices and freight rates. With particular regard to ocean freight, letters of credit for 100 percent of ocean transportation should be opened not later than 48 hours prior to vessel's presentation for loading.

BDG officials stated that appropriate measures will be taken to ensure that operable letters of credit for both commodity and freight will be opened, and confirmed by designated U.S. banks, immediately after contracting under each Purchase Authorization is concluded, and before vessels arrive at loading ports.

USG officials advised the BDG representatives of the following new legislative and regulatory requirements:

(A) Purchase Authorizations will be issued under the agreement only after the Secretary of Agriculture has determined that (1) adequate storage facilities are available in the recipient country at the time of exportation to prevent spoilage or waste of the commodity, and (2) the distribution of the commodity in the recipient country will not result in a substantial disincentive to domestic production.

(B) Purchases of food commodities under the agreement must be made on the basis of invitations for bid (IFB) publicly advertised in the United States and on the basis of bid offering which must conform to the IFB. Bid offering must be received and publicly opened in the United States. All awards under IFBs must be consistent with open, competitive and responsive bid procedures.

(C) The terms of all IFBs (including IFBs for ocean freight) must be approved by the General Sales Manager/USDA prior to issuance.

(D) Commissions, fees or other payments to any selling agent seeking to obtain a contract are prohibited in any purchase of food commodities under the agreement.

(E) If the BDG nominates a purchasing agent and/or shipping agent to procure commodities or arrange ocean transportation under the agreement the BDG must notify the General Sales Manager/USDA in writing of such nomination and provide along with the notification a copy of the proposed agency agreement. All purchasing and shipping agents must be approved by the Office of the General Sales Manager in accordance with new regulatory standards designed to eliminate certain potential conflicts of interest.

BDG officials stated that arrangements will be made to relay to its Washington Embassy all instructions, information and authority necessary to enable timely implementation of the agreement including (1) commodity specifications, (2) contracting and delivery periods, (3) names and addresses of U.S. and foreign banks handling transactions (letters of credit for commodity and freight), (4) authority to request and sign purchase authorizations and other necessary documents, (5) complete instructions information/authority regarding arrangements for purchasing commodities and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and (6) instructions to contact

Program Operational Division, Office of the General Sales Manager, USDA regarding the foregoing.

9. Food for Development Program

The Food for Development (FFD-TITLE III, PL-480) program outlined in Annexes A and B is to be supported by the commodities provided under this agreement and funded by currencies (taka) generated from sales of commodities financed under the agreement. Disbursements of generated currencies for eligible uses will result in forgiveness of equivalent dollar value of indebtedness. USG officials advised the BDG representatives of the following points:

(A) Responsibilities of the USG

1. Annex B indicates annual and total dollar levels targeted by the USG for the period of the FFD program. Title I financing available for the annual dollar targets illustrated may vary from the amounts shown. However the USG will give priority to providing the total dollar value of financing indicated over the life of the program. Priority will be given in each fiscal year's Title I PL-480 budget to financing commodities to be shipped in connection with FFD programs.

2. As the BDG makes disbursements from the special account described below and in Annex A, the USG will apply the dollar equivalent of such disbursements to outstanding Title I indebtedness, as earliest payments of interest and then of principal and interest.

To the extent that disbursements exceed earliest installments, interest will be credited to the BDG at the same rate as that charged in the agreement.

(B) Responsibilities of the BDG

1. The BDG is required to establish a special account, as described in Annex A, Item II(B). The special account is to remain under the sole control of the BDG but account records must be subject to inspection and audit by the USG. The account may be established as an interest-bearing account in a commercial facility, as a non-interest-bearing account in the central banking authority, or as an account in a government ministry or department which is used to control deposits into and withdrawals from the treasury of the BDG. The account must be established and deposits made not later than six months after the date of disbursement by the Commodity Credit Corporation (CCC). The CCC will notify the American Embassy in Bangladesh as all such disbursements occur.

2. The BDG is required to deposit the proceeds generated from the sale of commodities in the special account. Disbursements made in accordance with Annex B will constitute use of the proceeds determining forgiveness of the Title I debt.

3. The BDG has an obligation to maintain records of deposits to and disbursements from the special account and to maintain sufficiently detailed records of disbursements to provide an audit trail. Annex A requires that records be maintained for not less than three years after completion of the full program outlined in Annex B.

4. The reporting requirement of Item II A in Annex A will substitute for the annual self-help report which would otherwise be required by Part I, Article III C of the agreement.

(C) Credit for Title I Indebtedness

1. The credit for Title I indebtedness is secured through operation of the special account. Deposits to the special account should represent only the proceeds from sale of the commodities. Forgiveness will apply only to the amounts of proceeds generated from the sale of the commodities that are deposited in the special account. If the BDG sells wheat through the Modified Ration system, at subsidized prices, then the amount of proceeds deposited will be less than the FOB value of the wheat for which forgiveness can be granted.

2. As disbursements are made from the special account, detailed records of amounts and purposes of those disbursements must be maintained. The BDG is required to report quarterly to the American Embassy on its

disbursements from the special account; the Embassy in turn will report those disbursements to Washington, together with a certification by the Ambassador or his designee that disbursements reported were made for eligible uses.

3. Under the terms of Annex A, not less than 60 days before the first Title I installment would otherwise fall due, CCC will furnish a schedule showing application of disbursements to amounts due under the Title I agreement.

4. Title I indebtedness will be forgiven only as disbursements are made from the special account. It will be the American Embassy's responsibility to determine that disbursements were in fact made for eligible uses, and so to certify to the CCC. If the Embassy finds that any disbursements were made for ineligible uses it shall follow the notification and consultation procedure outlined in Item III D of Annex A. USG personnel will regularly wish to inspect activities supported under the FFD program (as described in Annex B) and records, in accordance with Item III E of Annex A.

5. Item III G of Annex A requires an annual review by the two governments, at a time mutually

agreeable to both of them. It is intended that the annual review cover at a minimum the progress made to date by the BDG toward completing the activities and programs outlined in Annex B and the need for an agreement by the two governments on budget adjustments necessary for the continuing progress toward the goals and objectives of Annex B in the coming year.

10. Price of Wheat in Open Market Sales

USG officials opined that the open market sales price for wheat during the 1978-79 lean season should be about Taka 95 per maund. The reasons for this opinion were that the difference between the official procurement price of Taka 84 per maund and a wholesale wheat price of Taka 95 ought to be sufficient to encourage private grain traders to purchase domestic wheat and to carry these stocks to the lean season for sale when prices would be higher. Thus a BDG price of Taka 95 per maund would not undercut the initiative of the private grain traders. In addition, a price of Taka 95 per maund would lessen the possibility that wheat made available for open market sales would be sold during those times when the coarse rice price was lower than the grain price stabilization target upper limit.

The BDG officials replied that Taka 85 per maund is the upper limit for the wholesale price of wheat for the following reasons: (a) the BDG has purposely set the official procurement price of wheat high relative to rice (64 percent)

as compared to world market prices (i.e. 42 percent) to encourage the diversification of cereal grain production into wheat. A higher wholesale price of wheat, i.e. Taka 95 per maund, would make the percentage even higher (72 percent) relative to rice, (b) domestic wheat production is a very small fraction of total cereal grain production (about three percent); it is grown by small, marginal farmers who cannot afford the higher input costs of boro rice production (i.e. fertilizer and irrigation pumping) and it is consumed mostly on the homestead, (c) since the wheat crop is consumed on the farm, the BDG has always experienced great difficulty procuring a significant quantity even though the procurement price, relative to rice, is very high, (d) according to the Ministry of Food statistics the price of wheat has only exceeded Taka 95-97 per maund in two months in the last four years and these months were the time of the 30 percent failure in the 1977 boro rice crop, (e) given this, the Ministry of Food is convinced there will be no wholesale buyers of wheat at a wholesale price of Taka 95 per maund which would imply a retail price of between Taka 103 and 105 per maund, (f) no one knows what the cross elasticities between wheat and rice are except that they vary considerably from harvest season to lean season, (g) the BDG is anxious to make the study of the cross elasticities a high priority assignment for the forthcoming food policy unit but, in the meantime, they must rely on the conventional wisdom of the Food Ministry and the available data. The conventional wisdom and data both indicate that grain dealers will not purchase wheat during the lean season at a wholesale price

greater than Taka 85 per maund, (h) if the wheat price is too high, then the rice price during the lean season will also be high; e.g. the conventional wisdom is as follows: if the wholesale price of wheat is 85, retail will be about 92 to 95 and the corresponding coarse rice price will be about 145; if the wholesale price of wheat is 95, retail will be 103 to 105 and the corresponding rice price will be about 160, (i) the BDG was reluctant in the first instance to administer two prices for the same commodity, i.e. Taka 80 per maund in the ration system and Taka 85 in OMS but agreed to do so because USG/BDG joint analysis seemed to indicate that Taka 85 is about right, at least for a start, (j) the President approved Taka 85 per maund for OMS; any change would require Cabinet approval, (k) the BDG's calculation is that the economic subsidy on wheat (i.e. CIF Chittagong plus internal distribution costs) is Taka 8 per maund if sold in the ration system at Taka 80 per maund, while the economic subsidy on rice is Taka 57 per maund.

The USG team suggested the compromise of Taka 90 per maund with a review of the price question in December at the agreed time of the first evaluation meeting. The BDG agreed to a review of the price question at any time, as the suggested amended language to Annex B indicates, but for all the reasons stated above insisted that the initial agreement provide for a Taka 85 wheat wholesale price.

11. Open Market Sales Mechanism

USG officials noted that the proposed Title III agreement was one of the first such agreements to be negotiated under the revised PL-480 law. Ordinarily the USG would require

that the mechanism for the sale of U.S.-supplied wheat in the open market would be specified in considerable detail. In particular, and in view of the grain price stabilization objective, it will be necessary to agree on appropriate lower and upper price limits and, furthermore, on such other price levels; i.e. "trigger prices" as may be required to signal the beginning and/or the end of open market sales. USG officials recalled that BDG representatives had expressed the opinion that while such understandings are necessary it would be preferable to reach them through a process of frequent informal consultations between the two governments. BDG officials noted the need for maximum built-in flexibility so that the BDG could rapidly adjust to the experience it gains in the course of open market sales. USG officials agreed to this point and suggested that on such matters as "trigger prices" and related details the two governments should reach informal understandings through frequent joint consultations and record such understandings by exchanging informal letters between the responsible officials of both governments. The BDG officials agreed to this proposal and noted that it would be in keeping with their concern to retain maximum built-in flexibility.

BDG officials provided to the USG officials a copy of the draft government circular order which describes the open market sales mechanism. The text of the draft order is as follows:

"Government of the People's Republic of Bangladesh
Ministry of Food
Bangladesh Secretariat-Dacca.

"No. 414(175)MF/S-7/IF-7/78 Dated 3-7-1978

"From Mr. Ataul Haq,
Joint Secretary

"To 1) The Director of Supply, Distribution &
Rationing System, Dacca.
2) All Deputy Commissioners
3) All Subdivisional Officers
4) All Regional Controllers of Food
5) All District Controllers of Food
6) All Subdivisional Controllers of Food

"Sub Release of wheat in the open market for
stabilization of price of foodgrains

"The undersigned is directed to say that it has been decided by the Government to undertake open market operation on increasing scale to stabilize prices of foodgrains and to restrict upward trends of the same during the lean periods i.e. from mid-March to April and from August to October. Open market operation will augment supplies in the market through larger scale of foodgrains into the market through the traders so that improved availability of food can stabilize price within reasonable limit. This will be undertaken along with other existing channels of supplies like S.R. ration to the priority groups, modified rationing and Food for Work in the rural areas.

"Open market operation is designed to stabilise prices of foodgrains at reasonable level when it tends to rise beyond the desired limit. It should be undertaken whenever required according to the requirements of specific area. It is important to review the price trends in the different areas continuously to determine when open market operation is required. Our objective being to contain rice price within a maximum ceiling of Tk. 150/- per maund (coarse variety), open market operation can be undertaken when prices in the

Hats and Bazars rise above Tk. 145/- per maund. Decisions for starting open market operation will be taken by the Subdivisional Controller of Food on specific assessment of price trend in consultation with the District Controllers of Food and Subdivisional Officer. Director of Supply, Distribution & Rationing should be intimated immediately as soon as the need for open market operation is firmed up. If possible, he should be consulted before.

"The following procedures for releasing foodgrains for the open market operation should be followed:

"(a) Foodgrains will be sold to the licenced dealers/ flour millers from the local government godown to increase availability in the markets to bring down price to reasonable level. It is important that the volume of operation should be undertaken on an adequate level. Half-hearted attempts may encourage hoarding and malpractices without creating any impact on supply of foodgrains in the local market. Judgment of the Subdivisional Controller of Food in this respect is extremely important and should be based on his assessment and accumulated experiences of the market price trends of foodgrains.

"(b) Dealers and flour millers of foodgrains will be entitled to purchase an amount of wheat in lots of minimum and maximum of 10 and 200 maunds respectively per purchaser per transaction at Tk. 85/- per maund or at any other appropriate price as may be notified by the Government from time to time. They will be instructed to retail out the same to the members of the public without taking recourse to hoarding.

"(c) Nature of open market operation may require the sale prices of goods will not be regulated and be left to the normal forces of demand and supply. But price stabilization of foodgrains being a major objective, it is necessary that the dealers undertake not to sell wheat at more than Tk. 95/- per maund. This will provide adequate margin of profit to pay for their trading and storage expenses. Considering the substitutability of demand between rice and wheat, it is estimated with adequate wheat being available at the above stated price, market price of rice would be contained at Tk. 150/- per maund (coarse variety) even during the lean months.

"(d) Issue of any foodgrain to the dealers would be stopped as soon as the market price registers decline below Tk. 145/- or any other limit as may be fixed by the Government.

"(e) Marketing operation should be undertaken only in recognised Hats and Bazars where foodgrains are transacted at any appreciable scale. If necessary operation can also be undertaken in the urban areas.

"It is necessary to emphasize that success of the open market operation is dependent on the following factors:-

"i) Assessment of the price trends of foodgrains by the local officers and the volume of marketing operation required for price stabilization at the desired level.

"ii) Regularity at which stocks are released to the small purchasers in the open market.

"iii) Adequacy of supplies in the market.

"iv) Check against hoarding and black marketing;

"The role of Subdivisional Controllers of Food and Inspectors of Food in conducting operation on the basis of the above objectives is important. Food Department may make advance projections of requirement of open market on the assessment of price trends and local production forecasts. Adequate stock of foodgrains should also be moved to the probable areas of operation in advance. Participation of the Union Parishad Chairmen and members through appropriate measures for price stabilisation through increased supply in the market need be encouraged.

"Open market operation may be a recurring necessity during the lean months in some areas. As such it should be assessed and evaluated continuously. The Subdivisional Controller/District Controller of Food shall submit a fortnightly report to the Director of Supply, Distribution and Rationing, with copy to the Ministry of Food about result of marketing operation undertaken in their respective jurisdiction. Supplies of wheat shall be made against delivery order from L.S. Ds/C.S.Ds from where the normal rationing requirement of an area is made. The total offtake under marketing operation scheme should be shown in a separate column as is used in the monthly offtake report."

/S/ 3/7/78 Ataul Haq
Joint Secretary (General),
Ministry of Food,
Dacca.

12. Timing of the Annual Review

The BDG and USG representatives agreed that the first annual review will be held on or about December 1, 1978

following the August-October lean season and before the annual aid group meeting in January 1979. BDG officials observed that in view of the newness of the FFD program for grain price stabilization all circumstances should be taken into account when evaluating performance. BDG officials noted specifically that due to the projected low lean season stock levels in August and September and in view of the very recent slippage in the delivery schedule by some donors it may not be possible to mount as large an open market sales program as they had originally planned in 1978. In this regard BDG officials noted that the 200,000 tons of wheat to be provided under the agreement would arrive, in all probability, too late to be actually sold through open market sales in October. While the BDG is anxious to initiate the open market sales program it can only do so to the extent that its overall foodgrain stock position is not placed in jeopardy.

13. Establishment and Operational Design of the Special Account for the Deposit and Withdrawal of Title III Sales Proceeds

BDG officials advised that the special account would operate as follows:

1. The taka equivalents of the dollar amounts disbursed by the United States Government (USG) (in accordance with Part I, Article II D of the agreement) for foodgrains supplied under the agreement will be credited to the Head of Account which accommodates receipts of foreign loans, with contra-debits to the Head of Account pertaining to state trading in foodstuff. For this purpose the USG will furnish the requisite disbursement statements to the Bangladesh Government (BDG).

2. The BDG will open a deposit account, within the Public Account of the Republic, called "Deposit Account for Sales Proceeds of Foodgrains" in Section "P-Deposits and Advances-Part II-Deposits Not Bearing Interest (C) Other Deposit Accounts". This deposit account will be used exclusively for the purpose of recording transactions under PL-480 Title III agreements.

3. Taka proceeds accruing from open market sales, as a consequence of this agreement, will be credited directly to the above deposit account by the grain purchasers.

4. A portion of the total sales proceeds from foodgrains distributed under Modified Rationing, attributed to have accrued from sales out of stocks received under the agreement, will be credited to the deposit account by contra-debit to the Head of Account pertaining to state trading in foodstuff. These two entries will represent non-cash receipts and expenditures.

5. The local currency disbursements for "eligible uses" as identified in Annex B, Item III D of the agreement, will be initially booked under the respective service heads indicated in the budget.

6. Quarterly, or more frequently if possible, the debits on account of local currency disbursements for "eligible uses" will be transferred to the deposit account with contra-credits to the service heads, reflected as negative expenditures under those heads.

7. The details of the credits to, and debits against, the deposit account will be forwarded by the BDG to the USG on a quarterly basis.

8. The amounts of debits raised against the deposit account will be converted to dollars in the manner indicated in Annex A, Item III A for the calculation of credits representing payments for purposes of Part I, Article II H of the agreement (and refer also to Annex A, Item III A), under intimation to the USG and subject to the stipulations indicated in Annex A, Item III D. Subject to the same stipulations, equivalent taka amounts will also be debited to the Head of Account pertaining to payments of interest on foreign loans and/or the Head of Account which accommodates repayments of principal amounts of foreign loans. (These debits being non-cash entries, will be accompanied by contra-credits to a balancing head within the Public Account of the Republic.)

14. Use of Sales Proceeds

USG officials stated that they did not expect any inconsistencies to arise between Annex B, Item III D "Use of Title III Sales Proceeds" and the BDG's Annual Development Plan. However in the event of any inconsistencies between these two documents, Annex B shall be the controlling document under the Agreement.

15. Role of the Private Sector

USG officials emphasized the importance of involving the private sector in the purchase, storage and distribution of wheat and rice. In this regard USG officials called the Evaluation Section (Annex B, V) to the attention of BDG officials. At the time of the annual evaluation the USG will look forward to reviewing the steps the BDG has taken

to encourage private sector initiatives and to ensure that BDG activities in the food system do not greatly restrict incentives to private initiative, the impact of these steps and the steps the BDG will take in the future.

16. Open Market Sales Commodities

Referring to Annex B, Item III, B 9, USG officials noted that the impact of open market sales would probably be much greater if rice was included with wheat in the open market sales operation. BDG officials stated the government might include open market sales of rice in a later phase of the program, consistent with resource availabilities.

17. 1979/80 Foodgrain Requirements

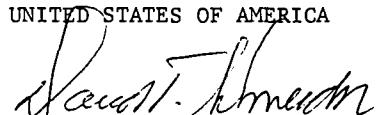
BDG officials understood USG intentions with respect to the delivery of Title III wheat to be as follows, based upon their understanding of Annex B. Under the FY 1978 agreement the USG intends to provide 200,000 tons of wheat. In U.S. FY 1979, and according to the pledging statement made at the Paris Aid Group Meeting, the USG intends to provide 400,000 tons for the Title III, Food for Development Program by June 30, 1979. Finally, in U.S. FY 1980 the USG intends to provide only 200,000 tons of wheat under Title III. BDG officials stated that taking into account the current projections on production and consumption in the Two-Year Plan this amount for FY 1980 will not be proportionately adequate to bridge the foodgrain gap. USG officials explained that while the program spans three U.S. fiscal years its total duration is only 24 months. Thus if the agreement is signed by August 1, 1978 the current

program would end in July 1980. However before that time both the USG and BDG will have gained enough experience to know whether and how the program should be changed or continued. Thus if a new program was agreed by mid-FY 1980 there would still be enough time to deliver additional foodgrain, if required, financed in the U.S. FY 1980 budget.

18. Suspension of the Agreement

USG officials noted that if the United States suspends the program pursuant to Annex A, Item V the United States will not resume financing even after the end of the following U.S. fiscal year (as provided therein) or the situation is remedied, whichever occurs first, unless the BDG demonstrates a commitment to proceed with the Food for Development Program. The USG will determine whether unusual circumstances beyond the control of the BDG, as referred to in Annex A, Item V, caused the failure to meet the provisions of the agreement.

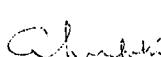
FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA



David T. Schneider
Ambassador Extraordinary and
Plenipotentiary

Date: Aug 2, 1978

FOR THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF BANGLADESH



A.M.A. Muhith, Secretary
External Resources Division
Ministry of Planning

Date: Aug 2, 1978

PORUGAL

Agricultural Commodities

*Agreement signed at Lisbon August 4, 1978;
Entered into force August 4, 1978.*

With minutes of negotiations.

And amending agreement

Effectuated by exchange of notes

*Signed at Lisbon August 30 and 31, 1978;
Entered into force August 31, 1978.*

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

The Government of the United States of America and the Government of the Republic of Portugal have agreed to the sale of agricultural commodities specified below

This agreement shall consist of the preamble, and Parts I and III of the agreement signed March 18, 1976, [¹] together with the following Part II.

PART II—PARTICULAR PROVISIONS

ITEM I. COMMODITY TABLE:

Commodity	Supply Period (United States Fiscal Year)	Approximate Maximum Quantity (Metric Tons or Bales)	Maximum Export Market Value (Millions)
Wheat/Wheat flour (wheat basis)	1978	200,000	Dols. 26.0
Corn/Sorghum	1978 plus October 1–31, 1978	103,000	10.2
Rice (Brown Basis)	1978	10,000	3.8
Total Dols.			40.0

¹ TIAS 8264, 27 UST 1564. [Footnote added by the Department of State.]

ITEM II. PAYMENT TERMS. CONVERTIBLE LOCAL CURRENCY CREDIT

1. Initial Payment - five (5) percent.
2. Currency Use Payment - ten (10) percent for Section 104(A) Purposes.
3. Number of Installment Payments - Fifteen (15).
4. Amount of Each Installment Payment - Approximately Equal Annual Amounts.
5. Due Date of the First Installment Payment - Three (3) Years after the Date of Last Delivery of Commodities in Each Calendar Year.
6. Interest Rate Throughout Period of Agreement - Five (5) Percent.

ITEM III. USUAL MARKETING TABLE:

Commodity	Import Period (United States Fiscal Year)	Usual Marketing Requirement
Wheat/Wheat Flour	1978	308,000 metric tons
Feed Grains	1978	1,450,000 metric tons
Rice (Brown Basis)	1978	33,000 metric tons

ITEM IV. EXPORT LIMITATIONS.**A. Export Limitation Period.**

The export limitation period shall be United States Fiscal Year 1978, or any subsequent United States Fiscal Year during which commodities financed under this agreement are being imported or utilized.

B. Commodities to which Export Limitations Apply.

For the purposes of Part I, Article III A (4) of this 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 products under a different name), for corn/sorghum - corn, cornmeal, feeds containing predominantly such grain), and for rice - rice in the form of paddy, brown or milled.

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 Portugal agrees to

1. Construct bulk grain handling facilities at an appropriate deep water port and continue construction of inland grain handling facilities.
2. Construct wholesale food markets near population centers as marketing aids to small growers and distribution aids to all consumers, including the lowest income sectors of the urban population.
3. Develop the capability of collecting and analyzing agricultural data necessary for the formulation of rural and agricultural development policies, including the development of an adequate market news service.
4. Establish a nationwide service to provide farmers with frequent, current market information.
5. Develop the fisheries industry, including both production and marketing.
6. Create a special line of credit for farmers, private entrepreneurs, and privately-organized cooperatives to finance medium and long term investments in production, processing, and marketing facilities, with special emphasis on the development of crop and cattle production.
7. Encourage practical applied research directly related to the production objectives of farmers, and improve effectiveness of extension services to transfer technology to small and medium farmers.

ITEM VI. ECONOMIC DEVELOPMENT PURPOSES FOR WHICH PROCEEDS
ACCRUING TO THE 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 and all fishing.
- B. The Government of Portugal agrees to name an individual or committee responsible for the allocation of proceeds generated under this agreement. This allocation, except as otherwise agreed, will be based to the maximum extent possible on the Government's agricultural development plan, and will generally support.
 1. Investments directly related to regional production programs being initiated in accordance with the above-mentioned plan, and
 2. Elements of national programs which are directly related to supporting the referred-to regional production programs.
- C. 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 Lisbon, in duplicate, this fourth day of August, 1978.

FOR THE GOVERNMENT OF FOR THE GOVERNMENT OF
THE UNITED STATES OF PORTUGAL.
AMERICA.

RICHARD J. BLOOMFIELD

VICTOR MANUEL RIBEIRO
COSTANCIO

Richard J. Bloomfield
Ambassador

Vitor Manuel Ribeiro Constancio
Minister of Finance and Planning

Summary Minutes of Negotiations Between the Government of Portugal and the Government of the United States Regarding an Agreement for Sales of Agricultural Commodities Under Title I of the Agricultural Trade Development and Assistance Act of 1954, as Amended (Public Law 480-83d Congress) [¹]

Session. MAY 8, 1978
Lisbon, Portugal

REPRESENTING THE GOVERNMENT OF PORTUGAL

Dr. Paulo Enes, Ministry of Foreign Affairs
Dr. Maia e Silva, Ministry of Foreign Affairs
Dra. Leonor Caldeira, Ministry of Foreign Affairs
Dr. Carlos Farmhouse, Ministry of Finance
Dr. José Manuel Mendes Barata, Ministry of Finance
Dr. José Baptista Tavares, Ministry of Commerce
Dr. Antonio Avillez, EPAC
Dr. Geraldes Freire, EPAC
Dr. Luis Gouveia, JNPP
Dr. Mário Parente, Sec. Est. Com-Ind. Alimentares
Dr. Amilcar Lopes, Sec. Est. Com-Ind. Alimentares

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Mr. Charles Buchanan Jr.
Mr. Glen Patterson
Mr. James Ferrer, Jr.
Mr. Robert J. Wicks

¹68 Stat. 455, 7 U.S.C. § 1701 *et seq.* [Footnote added by the Department of State.]

Summary Minutes:

The initial negotiating session was opened by Dr. Paulo Enes of the Ministry of Foreign Affairs. After welcoming the United States Government negotiators, Dr. Enes introduced the negotiators for the Government of Portugal. The U.S. negotiators were then introduced by Dr. Ferrer.

Following the introductions, Dr. Enes made a brief presentation in which he noted the recent conclusion of the International Monetary Fund negotiations which open the way for the \$750 million draw down. He pointed out that the GOP recognized and appreciated the active role of the USG in organizing the loan program.

Following the opening remarks U.S. representatives submitted in verbal and written form the following talking points for consideration of the negotiators of the GOP

The PL-480 agreements of the past two years have contributed to easing Portugal's balance of payments difficulties; however, we feel that more should be done to promote Portugal's long-term agricultural planning and development efforts. As we negotiate the 1978 agreement, it is incumbent that we give greater attention to the developmental issues and that we work more closely to identify Portugal's agricultural priorities, as well as the self-help measures required to realize those priorities. Before discussing this general issue, we would like to mention several specific points. Some of them stem from recent changes in the legislation governing PL-480 agreements, others are points to which we urge your special attention.

A) Financing for the agricultural commodities proposed for inclusion in this agreement (wheat, feedgrains, rice and cotton) will be subject to both availability of those commodities at the time of exportation and to the issuance and acceptance of Purchase Authorizations (PAs).

B) Given the numerous requirements for a satisfactory implementation of a PL-480 agreement, the Government of Portugal is requested to designate one or more persons resident in the United States who will consult with American Government representatives on the rules and procedures governing procurement, financing, reporting, and ocean transportation. This consultation must be completed before any purchase authorization is issued. Such person(s) should be authorized to sign all documents relating to implementation of the agreement.

C) It will be necessary for the Government of Portugal to designate individuals in Portugal who shall discuss with representatives of the U.S. Government such matters as (1) arrival and off-loading of all commodities purchased under PL-480, (2) publicizing such arrivals, (3) assurances against resale and transshipment, (4) compliance with the usual marketing requirements and export limitations, (5) import and export data, (6) generation and use of local currency stemming from sales of imported commodities, (7) imple-

mentation of self-help measures, (8) reconciliation of accounts and repayments, and (9) currency use payments.

D) If the Government of Portugal decides to utilize a purchasing and/or shipping agent to assist in the procurement and transportation of commodities under the agreement, the GOP, prior to issuance of PAs, must notify the General Sales Manager/USDA in writing of such nomination and provide a copy of the proposed agency agreement. All purchasing and shipping agents must be approved by the Office of the General Sales Manager in accordance with new regulatory standards which are designed to eliminate conflicts of interest. Commissions, fees, or other payments to any selling agent are prohibited in any purchase of food commodities under the agreement.

E) With respect to PAs, the following conditions are applicable

—In accordance with the requirements established by the United States Congress in 1977, PAs will be issued under the agreement only after the Secretary of Agriculture or his designee has determined that (a) adequate storage facilities are available in Portugal at the time of scheduled arrival, and (b) the distribution of the commodity in Portugal will not result in a substantial disincentive to domestic production.

In addition to these requirements, the Government of Portugal must provide the following information to the U.S. Embassy, before issuance of PAs.

- (1) Type and grade of commodity to be purchased (based on official U.S. standards),
- (2) Proposed contracting and delivery schedules,
- (3) Names and addresses of banks, both U.S. and foreign, which will be handling financing operations;
- (4) Assurance that appropriate GOP authorities are prepared to make immediate transfer of funds from its own resources to cover 100% of the ocean freight costs, including demurrage, and the initial payment (IP) related to contracts concluded pursuant to the agreement.

—As a general rule, shipment of the commodities must be made prior to September 1, 1978, unless otherwise agreed upon by USDA.

—A second PA for a given commodity will not be approved until amounts authorized in PAs already issued have been fully purchased.

—PAs will not be issued if there are major problems concerning performance under the agreement. (Such problems could include delinquent payments, unfulfilled reporting requirements, exportation of certain commodities prohibited by the agreement as stated in Part II, Item IV, or failure to meet usual marketing requirements.) In this connection, the FY 1977 agreement cannot be signed by the United States Government until it receives satisfactory compliance reports for tobacco and cotton that are due under the terms of last year's

agreement and those reports requested in the letter dated February 21, 1978 from the Embassy to the Director General of Treasury.

—The United States Government reserves the right to cancel uncommitted balances of PAs or not issue PAs at any time that a commodity is determined to be no longer available for PL-480 program.

—PAs may be limited to certain grades or types of the commodity involved.

—Value of the total quantity of each commodity covered by PAs may not exceed the maximum export market value specified in Part II of the agreement. If prices decline, PAs may limit the amount of financing so that quantities sold would not substantially exceed the maximum quantity specified in the agreement.

F) Commodities are purchased from private U.S. suppliers, and prices agreed upon by buyer and seller are subject to price review by USDA.

G) For each purchase, importing entities must authorize funds enabling GOP representative in the U.S. to open necessary letters of credit in favor of the U.S. exporter(s) specifying the amount to be paid by the Commodity Credit Corporation to the exporter and the net amount to be paid directly by the importer's bank. They must take appropriate measures to insure that operational letters of credit for the commodity purchased will be opened, and confirmed by designated U.S. banks, immediately after contracting under each PA is concluded, and before vessels arrive at loading ports.

H) Purchases of food commodities under the agreement must be made on the basis of Invitation for Bid (IFB) publicly announced in the United States. (This is in accordance with new regulations applicable to current legislation—The International Development and Food Assistance Act, effective October 1, 1977 and the Food and Agriculture Act of 1977, as well as amendments to Title I, PL-480 financing regulations—which was transmitted to the appropriate Government of Portugal officials when enacted.)

—Bid offerings must be received and publicly opened in the United States.

—All awards under IFB's must be consistent with open, competitive, and responsible bid procedures.

—The terms of all IFB's (including IFB's for ocean freight) must be approved by the General Sales Manager/USDA prior to final acceptance by GOP representative in the U.S.

I) Regarding ocean transportation.

—Letter(s) of credit for 100 percent of ocean freight charges must be opened in favor of the supplier of the ocean transportation prior to vessel's presentation for loading. (Delays in opening letters of credit have resulted in costly claims for demurrage, carrying charges,

etc. Thus suppliers have said they will refuse to load unless they first receive acceptable letters of credit for both product and the freight.)

—The United States will pay the differential between U.S. and foreign flag rates on the shipment of 50 percent of the commodities that must be shipped in U.S. flag vessels.

—Charters and U.S. and non-U.S. flag vessels must have OGSM approval prior to final acceptance by the GOP representative in the U.S.

J) We propose the following amounts and values for commodities to be covered by a 1978 PL-480 agreement.

Commodity	Approximate Maximum Quantity	Maximum Export Market Value (millions of dollars)
Wheat/wheat flour	200,000 metric tons	23.5
Corn/Sorghum	24,000 metric tons	2.4
Rice (brown basis)	10,000 metric tons	4.9
Cotton	30,000 bales	9.2
Total		40.0

The financial terms would be the same as in prior agreements with the following exceptions:

1. The grace period, which begins on the date of the last delivery (on-loading) in each calendar year, would be increased from two years to three years.
2. The interest rate would rise from 4½ to 5 percent.

K) Regarding payments:

—The GOP will be required to open an LC to cover the 5% initial payment to U.S. suppliers. PAs will also specify the percentage of purchase price—5 percent to be paid by the importing government to the U.S. supplier. This amount is, in fact, the initial payment.

—The currency use payment, equivalent to 10 percent of the amount financed, will be credited against interest charges during the grace period and against interest and principle thereafter.

L) The PL-480 legislation requires that appropriate identification and publicity be given to transactions under the agreement. In this regard, Portugal is requested to announce publicly each delivery of commodities purchased under the PL-480 agreement. The GOP is expected to provide periodic statements on the action taken to meet publicity and identification requirements.

M) Usual marketing requirements (UMR) are established as a minimum insurance that sales under the agreement will not unduly disrupt world prices, normal patterns of trade with friendly countries,

or dollar sales of U.S. agricultural commodities. For this year's agreement, we propose the following UMRs:

Commodity	UMR
Wheat/Wheat flour	308,000 metric tons
Feed grains	1,450,000 " "
Rice (brown basis)	42,000 " "
Cotton	485,000 bales, of which 35,000 bales shall be imported from the United States of America

The UMR designated for each of the commodities is a minimum quantity of imports that Portugal must procure through commercial channels during U.S. fiscal year 1978 from the United States or other eligible countries as mutually agreed.

UMRs must be met even though the amount available under PL-480 may not be fully utilized. Purchases to meet the UMRs are to be financed by Portugal from its own resources. (Purchases utilizing CCC or other commercial credits are acceptable for meeting UMR requirements.)

It is understood that if the United States Government authorizes and finances deliveries under this agreement beyond September 30, 1978, Portugal will maintain the same UMR, export limitations and other provisions of the agreement, in the following fiscal year.

The violation of UMR provisions; the failure to prevent the resale, diversion, or transshipment of PL-480 commodities to other countries; or the export of same or like commodities of either domestic or foreign origin during the export limitation period specified in agreement, could result in withholding issuance of PAs and would be taken into account in consideration of new PL-480 agreements.

Imports credited to UMRs are considered to be valid only from the time of their customs clearance in Portugal.

The first commercial rice imports during FY 1978 will be credited against FY 1977 UMRs shortfall of some 8,000 tons. Only upon fulfillment of this shortfall will imports be credited against FY 1978 UMRs. In view of the present time constraint, the GOP should provide Embassy with its plan for meeting UMR for rice.

It is understood that Portugal will refrain from exporting commodities which are the same or like those covered by the agreement. For purposes of definition, the commodities which may not be exported are:

Wheat/Wheat Flour ¹—wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same products under a different name).

Corn/Sorghum—corn, cornmeal, grain, sorghum, barley, rye, and oats (including mixed feeds containing predominantly such grains) ².

¹ and ² See final page.

Exports of barley may be made for malting purposes or for processing in coffee mixture, provided that such exports are reported quarterly in the regular quarterly field compliance reports, and that offsetting commercial imports in excess of the UMR for feed grains are made from the United States.

Rice—rice in the form of paddy, brown or milled.
Cotton—cotton and cotton textiles (including yarn and waste). Because of Portugal's special circumstances, exports of cotton textiles in raw cotton equivalent in weight to 345,000 bales (480 pounds net) are permitted during the U.S. fiscal year 1978. If this export quantity is exceeded, the raw cotton equivalent in weight of such cotton textile exports will be imported from the U.S. to Portugal and paid for with resources of the importing country, but such offset purchase requirement need not exceed the level of total Title I, PL-480 imports during the supply period.

N) While conclusion of this agreement is not dependent upon Portuguese commercial purchases of U.S. commodities, the United States is a traditional and dependable supplier of agricultural products and seeks a fair share of any commercial increase in Portugal's imports of agricultural commodities.

O) Reporting requirements are a vital and integral part of PL-480 agreement. Among them are.

—Annual self-help reports and local currency proceeds reports which are due at the American Embassy in Lisbon not later than December 1 of each program year. We must emphasize the importance of this report being comprehensive and analytical, covering achievements under specific self-help provisions for the current year.

—Reports listed in Part I, Article III, Section D of the PL-480 agreement signed on March 18, 1976, are to be furnished quarterly

P) Self-Help Measures.

We would like now to return to the issue mentioned at the opening of our discussion, namely the self-help measures and how we should cooperate to insure that they promote Portugal's agricultural development priorities. Counterpart funds generated from the PL-480 agreement provide extra-budgetary resources for agricultural and fishing development activities. The availability of these additional funds provides a unique opportunity to accelerate those development action programs considered by both governments to be of highest social and

economic priority. The U.S. Government wishes to emphasize the importance it attributes to the following goals.

1. increased production (and yields) of food products, particularly by small and medium producers.
2. strengthened institutions responsible for applied research, extension services and training of professionals.
3. programming activities and resource allocation to achieve the above two goals.

Self-help measures included in previous PL-480 agreements generally address the areas of interest to both governments. We propose that similar self-help measures be included in this year's agreement, but that we develop a clearer understanding of their specific implementation. We believe development of these specific implementation programs should be a joint effort of our two governments.

In the programming effort, we will request that counterpart funds be used to support institutional growth (particularly those which are developed in conjunction with the institutions of Villa Real, Covilha, Evora and the Azores).

Also, we will propose that specific credit lines be established for small and medium agricultural or rural-based enterprises/cooperatives, part of which would be channeled through the official Portuguese institutions responsible for refugee affairs. Most important, we believe the PL-480 resources should provide significant support for the Government's effort to prepare global agricultural and fisheries development plans that specify goals, programs and investment priorities. For the above institutional and programming objectives, we propose that approximately \$10 million be allocated, of which at least \$5 million be budgeted for the above-named institutions.

We propose that the Government of Portugal name a suitably higher-ranking official to conduct a continuous dialogue on the PL-480 program. In addition, we propose that the government appoint a technical team to meet with Embassy representatives in order to prepare precise projects and programs for implementing the self-help measures that will be in the agreement. Although we anticipate that the government would select its representatives as soon as possible, we would not expect the joint committee to meet until immediately after signature of the formal 1978 agreement. All efforts should be made to permit the committee to complete its basic programming function within 60 days after signature of the 1978 agreement.

¹ During the presentation of the talking points, GOP representatives requested an exception of the prohibition of exports of wheat flour. U.S. representatives indicated that Washington would be queried about the possibility of granting an exception. After the formal talks were concluded, U.S. negotiators requested that GOP representatives provide more specific information concerning the required exception.

² GOP negotiators informally raised a question about the possibility of an exception to the prohibition of mixed feed exports.

Summary Minutes of Negotiations Between the Government of Portugal and the Government of the United States Regarding an Agreement for Sales of Agricultural Commodities Under Title I of the Agricultural Trade Development and Assistance Act of 1954, as Amended (Public Law 480 - 83d Congress)

Session. MAY 15, 1978
Lisbon, Portugal

REPRESENTING THE GOVERNMENT OF PORTUGAL.

Dr. Heitor Maia e Silva, MNE
Dra. Leonor Caldeira, MNE
Dr. Carlos Farmhouse, Treasury Dept., MF
Dr. José Manuel Mendes Barata, Treasury Dept., MF
Dr. António Lopes de Almeida, SECI
Dr. Mario Parente, Sec. Est. Com-Ind. Alimentares
Dr. José Augusto Varela, Planning Office, MAP
Dr. Jaime Tavares Duarte, Gabinete de Estudos a Planeamento,
do MAP
Dra. Maria Joana Araujo, Textile Institute
Dr. António Avillez, EPAC
Mr. Geraldes Freire, EPAC

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Dr. James Ferrer, Jr.
Mr. Glen Patterson
Mr. Robert J Wicks
Mr. Charles Buchanan, Jr.

Summary Minutes

The second session of the negotiations on the FY 1978 PL 480 Agreement was opened by Dr. Maia e Silva of the Ministry of Foreign Affairs. After greeting the U.S.G. negotiators, Dr. Maia e Silva requested clarification of the meanings of several words and phrases used in the talking points paper. Changes to be incorporated into the minutes are as follows.

- a. Page 3 paragraph D., last line the word "agricultural" is to be substituted for the word "food."
- b. Page 4 first paragraph, the letters "U.S." are to be inserted ahead of the word "Embassy"
- c. Page 13 goal number 1, the word "agricultural" is to be substituted for the word "food."

The clarifications were completed to the satisfaction of all negotiators and then the G.O.P. representatives raised the following issues for discussion.¹

¹EPAC representatives did not raise the flour export exemption issue during the second negotiating session. G.O.P. negotiators informally advised U.S.G. representatives that they did not plan to pursue the exemption.

1. General

In response to an issue raised in the talking points concerning reporting requirements, it was agreed that several G.O.P representatives would meet on May 17, 1978 with U.S. Embassy representatives to clarify reporting responsibilities and procedures.

2. New requirements

The Portuguese representatives indicated they felt that the provision requiring a) that importing entities authorize funds that will enable G.O.P representative in the U.S. to open necessary letters of credit, etc. and b) that Letter of Credit be opened and confirmed before loading of vessels, would cause excessive delays, and, requested an exception. U.S.G. representatives pointed out that difficulties had occurred in the past which resulted in the introduction of this provision and that an exception could not be made.

3. UMR's

Portuguese representatives noted that the FY 78 UMR for rice was much higher than that of FY 77 and that they did not expect to be able to comply with a UMR at that level. Anticipated total imports during CY 1978 are expected to be 47 thousand tons. The FY 78 UMR plus the shortfall from FY 77 exceeds import requirements. Thus Portuguese representatives requested that the combined UMR plus shortfall be reduced to 29 thousand tons.

U.S.G. negotiators agreed to query Washington about the possibility of a reduction but requested, and the Portuguese negotiators agreed, that Washington approval be sought for a UMR of 37 thousand tons comprised of 29 thousand for FY 78 plus 8 thousand carry-over from FY 77

The Portuguese negotiators indicated that the proposed UMR for cotton, 485,000 bales, is more than Portugal can import by the end of the U.S. fiscal year. They requested that 1) the UMR be reduced to 450 thousand bales and that 2) the delivery period be extended into the next fiscal year. U.S.G. representatives agreed to query Washington about the possibility of reducing the FY 78 UMR to 450,000 bales but pointed out that there was a shortfall relative to the FY 77 UMR's that would have to be imported in addition to the FY 78 UMR. G.O.P negotiators were not aware of the shortfall and it was agreed that the issue would be discussed informally between Textile Institute officials and U.S. Embassy representatives.

U.S.G. representatives pointed out also that should delivery occur after the end of FY 78 the G.O.P would be required to maintain the FY 78 agreement import requirements and export limitations again in FY 79.

3. Self help

Representatives of the G.O.P explained their thinking relative to the issue addressed in the talking paper concerning utilization of counterpart funds. The U.S.G. representatives then orally reiterated the basic thrust of and cited examples of types of projects that would be appropriate.

It was agreed that G.O.P and U.S.G. representatives meet to explore the types of programs which should be mounted.

Summary Minutes of Negotiations Between the Government of Portugal and the Government of the United States Regarding an Agreement for Sales of Agricultural Commodities Under Title I of the Agricultural Trade Development and Assistance Act of 1954, as Amended (Public Law 480 - 83d Congress)

Session. JUNE 19, 1978
Lisbon, Portugal

REPRESENTING THE GOVERNMENT OF PORTUGAL

Dr. Heitor Maia e Silva, MNE
Dra. Leonor Caldeira, MNE
Dr. Carlos Farmhouse, Direcção-Geral do Tesouro, MF
Dr. José Manuel Mendes Barata, Direcção-Geral do Tesouro, MF
Dr. António Lopes de Almeida, Sec. Est. Com-Ind. Alimentares
Dr. Mário Parente, Sec. Est. Com-Ind. Alimentares
Dr. José Augusto Varela, Planeamento, MAP
Dr. Jaime Tavares Duarte, Planeamento, MAP
Dra. Maria Joana Araujo, Instituto dos Texteis
Dr. António Avillez, EPAC
Mr. Geraldes Freire, EPAC

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Dr. James Ferrer, Jr.
Mr. Glen Patterson
Mr. Robert J. Wicks
Mr. Charles Buchanan, Jr.

Summary-Minutes

The third formal negotiating session was opened at 1015 a.m. June 19, 1978 by Dr. Heitor Maia e Silva. After brief courtesies, representatives of both governments signed the Summary Minutes of the previous session agreeing to identify the office represented by GOP representative Tavares.

U.S. representatives then presented GOP negotiators with draft copies of the proposed agreement.

Relative to the proposed agreement, Portuguese representatives raised the issue of UMR's for cotton. It was agreed that the required UMR plus carryover could not be achieved during the remainder of the current fiscal year. U.S. representatives suggested that given time constraints, further negotiation over the cotton issue would be very prejudicial to compliance with the proposed agreement relative to other commodities. U.S. negotiators suggested, therefore, that cotton be excluded from the agreement. GOP negotiators agreed that rapid signature of the agreement was necessary to avoid problems with imports of other commodities under the agreement. Portuguese negotiators agreed that cotton should not be included in FY 78 agreement and asked if the funding for cotton could be transferred to other commodities. U.S. representatives explained that the law does not permit more than 25 percent of the food assistance (on a global basis) to be programmed to countries having a per capita income average in excess of five hundred dollars. U.S. representatives further explained that a portion of the unused cotton funds could be applied to the purchase of food/feed grains (to the extent that prices increase). Thus making the quantities and not funding in the supply table the limiting factor.

It was further explained that since cotton from the FY 77 agreement was imported in FY 78, the export limitations had to be carried over into the current fiscal year. Portuguese representatives acknowledged the requirement and requested that the word "utilized" be struck from the end of the first sentence under Item IV Export Limitations. U.S. negotiators agreed to query Washington about the possibility of the requested deletion.

The second issue raised was the proposed UMR for rice. USG representatives announced that Washington had agreed to reduce the FY 78 UMR from 42 thousand to 33 thousand metric tons and that the carry over from FY 77 brought the total to 41 thousand metric tons. USG representatives and GOP representatives agreed that this would enable Portugal to import approximately 6 thousand tons under Title I. Portuguese negotiators indicated that there should be a corresponding change in the commodity table. USG negotiators suggested that quantity and value figures be maintained in the commodity table and that at an appropriate time the GOP could request a transfer of funds to other commodities. GOP negotiators agreed.

The third issue addressed was the clarification of the revised self-help measures. USG representatives noted the addition of paragraph B, Item VI. GOP negotiators acknowledged the addition and suggested that 1) capital letters be struck from the term "Agricultural Development Plan," 2) the time frame reference "1977-1980" be struck, 3) that the capital letters be removed from the words "National" and "Programs" and that the word "Service" be struck. USG negotiators agreed to the suggestion. GOP negotiators also asked whether

the order of presentation of the self-help measures in the proposed agreement implied the relative importance of those measures. U.S. representatives explained that order of presentation did not indicate order of importance.

Prior to the close of the session GOP negotiators indicated their desire to sign the agreement as soon as possible. U.S. representatives agreed that it was most desirable to sign the agreement immediately but pointed out that the agreement could not be signed until outstanding reports were delivered. U.S. representatives also reminded Portuguese negotiators that the U.S. Embassy had not been given the name of the individual who was to serve as liaison on PL 480 matters. GOP representatives promised to send a letter naming the liaison officer and to provide the reports by June 30.

Summary Minutes of Negotiations Between the Government of Portugal and the Government of the United States Regarding an Agreement for Sales of Agricultural Commodities Under Title I of the Agricultural Trade Development and Assistance Act of 1954, as Amended (Public Law 480 - 83d Congress)

Session. JULY 25, 1978
Lisbon, Portugal

REPRESENTING THE GOVERNMENT OF PORTUGAL

Dr. Heitor Maia e Silva, MNE

Dra. Leonor Caldeira, MNE

Dr. Carlos Farmhouse, Direccao-Geral do Tesouro, MF

Dr. Jose Manuel Mendes Barata, Direccao-Geral do Tesouro, MF

Dr. Antonio Lopes de Almeida, Sec. Est. Com-Ind. Alimentares

Dr. Jaime Tavares Duarte, Planeamento, MAP

Dr. Antonio Avillez, EPAC

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Dr. James Ferrer, Jr.

Mr. Glen Patterson

Summary-Minutes

After an initial brief exchange of courtesies, the heads of the two delegations initialed the summary minutes for the meeting of June 19, 1978.

The U.S. delegation noted that Washington agencies had agreed to eliminate cotton from the proposed FY PL 480 agreement and that those agencies would be disposed to consider a special agreement for cotton early in the United States fiscal year 1979. Because cotton

would be eliminated from the FY 78 agreement, the amount of funds allotted for wheat/wheat flour and corn/sorghum were increased, respectively, to \$26 million and \$10.2 million. Simultaneously, the amount of funds allotted for rice was decreased to \$3.8 million. As a result of these changes, the total value of the agreement was raised from \$32.4 million, as discussed in the June 19 meeting, to \$40 million.

The U.S. delegation reported that its latest instructions from Washington insisted upon the retention of the word "utilized" in Item IV, Section A. It observed that this term is universally common to PL 480 agreements. The Portuguese delegation concurred that the word "utilized" would remain in the proposed agreement.

The U.S. delegation noted that it would appreciate a more detailed statement of the Portuguese Government's self-help programs to be financed with funds generated under the PL 480 agreement. The Portuguese delegation promised to provide a letter that would outline the self-help programs in somewhat more detail. (A copy of the letter dated July 28, 1978, from the Department of Planning, Ministry of Agriculture and Fishing, is attached.)^[1]

At the request of the Portuguese delegation, it was agreed to change the phrase "a coordination committee" in the first sentence of Item VI, Section B to read "an individual or committee."

The U.S. delegation read the following two paragraphs which, it was agreed, would be inserted into the official minutes of the July 25 meeting:

In consonance with Part II, Item VI of the Agricultural Sales Agreement it is proposed that Escudos 50 million of the sales proceeds generated therefrom be deposited into an AID Trust Fund Account. The use of these funds will be set forth in a separate agreement and will provide the local currency costs for the contractors selected by the Portuguese Government to furnish technical assistance in agriculture and rural development at the University and Polytechnical Institutes of Evora, Covilha, Azores, and Vila Real.

The Government of Portugal agrees to furnish no later than sixty days after signing of this agreement a schedule showing the estimated completion dates of the self-help projects programmed by the coordinating committee (to be established in accordance with the 1978 Agreement). These projects would utilize the unallocated funds remaining from the sales proceeds generated under the 1977 Agriculture Sales Agreement. The committee will also proceed as rapidly as possible with the allocation of the sales proceeds to be granted under the 1978 Agreement.

The Portuguese delegation again expressed its desire to conclude a formal agreement for FY 1978 as quickly as possible. The U.S. delegation concurred in this expressed desire and promised to notify

¹ Not printed. [Footnote added by the Department of State.]

the Portuguese Foreign Ministry as soon as the Embassy receives authorization from Washington to sign the agreement.

[AMENDING AGREEMENT]

The American Chargé d'Affaires ad interim to the Portuguese Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 250

LISBON, August 30, 1978

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 August 4, 1978, and I propose that the agreement be amended as follows:

In Part II, Particular Provisions, Item I, under the column headed "Supply Period (United States Fiscal Year)," change the entries for wheat/wheat flour and rice to read "1978 plus October 1 through 31, 1978."

All other terms and conditions of the August 4 1978, Title I, PL 480 agreement remain unchanged.

If the foregoing change is acceptable to your government, I propose that this note and your reply concurring therein constitute agreement between our two governments effective the date of your reply.

Please accept, Excellency, the assurances of my highest consideration.

EDWARD M. ROWELL

Charge d' Affaires

Eng. CARLOS CORREIA GAGO,
Minister of Foreign Affairs,
Republic of Portugal,
Lisbon.

*The Portuguese Minister of Foreign Affairs to the American Chargé
d'Affaires ad interim*

MINISTÉRIO DOS NEGÓCIOS EXTRANGEIROS GABINETE DE MINISTRO
LISBOA, 31 de Agosto de 1978.

SENHOR ENCARREGADO DE NEGÓCIOS.

Tenho a honra de acusar a recepção da Nota de V.Ex^a de ontem, do seguinte teor:

"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 August 4 1978, and I propose that the agreement be amended as follows.

"In Part II, Particular Provisions, Item I, under the column headed "Supply Period (United States Fiscal Year)", change the entries for wheat/wheat flour and rice to read "1978 plus October 1 through 31, 1978"

"All other terms and conditions of the August 4 1978, Title I, Pl 480 agreement remain unchanged.

"If the foregoing change is acceptable to your government, I propose that this note and your reply concurring therein constitute agreement between our two governments effective the date of your reply "

Em resposta, tenho a honra de informar que o Govno português dá a sua concordância à proposta de V.Yx³, constituindo a Nota de V.Ex^a em referência e a presente nota un Acordo entre os nossos dois Governos.

Queira aceitar, Senhor Encarregado de Negócios, os protestos da minha maior consideração.

C CORREIA GAGO

Senhor EDUARD ROWELL
Encarregado de Negócios dos E.U.A.
Lisboa

Translation

MINISTRY OF FOREIGN AFFAIRS
OFFICE OF THE MINISTER

LISBON, August 31, 1978

SIR:

I have the honor to receive your note of yesterday, which reads as follows:

[For the English language text, see p. 3264.]

In reply, I have the honor to inform you that the Portuguese Government concurs in your proposal and agrees that your note and this note shall constitute an agreement between our two Governments.

Accept, Sir, the assurances of my highest consideration.

C CORREIA GAGO

Mr. EDUARD ROWELL,
Charge d'Affaires of the U.S.A.,
Lisbon.

LEBANON

Health Sector Rehabilitation

*Agreement signed at Beirut June 22, 1978;
Entered into force June 22, 1978.*

PROJECT GRANT AGREEMENT

June 22, 1978

Between

The Republic of Lebanon ("Grantee"), acting through the Council for Development and Reconstruction ("C. D. R. ")

And

The United States of America, acting through the Agency for International Development ("A. I. D. ")

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

Section 2.1 Definition of Project. The Project will assist Grantee's efforts to re-establish health and social/health services disrupted or terminated by recent hostilities. The Project will finance foreign exchange and local costs of technical advisory services, commodities, training, plus a limited amount of operating expenses of the Grantee with respect to the Project.

Article 3: Financing

Section 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A. I. D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to grant the Grantee under the terms of this Agreement not to exceed four million nine hundred thousand United States dollars (\$4,900,000) ("Grant"). The Grant may be used only to finance foreign exchange and local currency costs as defined in Article 6 of goods and services required for the Project.

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

Section 3.2. Grantee Resources for the Project

- (a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner;
- (b) The resources provided by Grantee from non-A. I. D. sources for the Project will be no less than the equivalent of one million United States dollars (\$1,000,000), including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1979, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A. I. D. may otherwise agree in writing, A. I. D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A. I. D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A. I. D. agrees to in writing. After such period, A. I. D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Conditions Precedent to Disbursement

Section 4.1 First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A. I. D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A. I. D. in form and substance satisfactory to A. I. D.

(a) A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

(b) Other information and documents as A. I. D. may reasonably request.

Section 4.2 Additional Disbursement. Prior to disbursement under the Grant, or to issuance by A. I. D. of documentation pursuant to which disbursement will be made to finance a particular activity proposed under the Grant, Grantee shall, except as A. I. D. may otherwise agree in writing, furnish in form satisfactory to A. I. D., a detailed description of the activity, its purposes, the organization in charge of implementation, a detailed cost estimate for activity, including amounts proposed for A. I. D. financing and other sources of funds for the activity.

Section 4.3 Notification. When A. I. D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

Section 4.4. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 120 days from the date of this Agreement, or such later date as A. I. D. may agree to in writing, A. I. D., at its option, may terminate this Agreement by written notice to Grantee.

Article 5: Special Covenants

Section 5.1. **Project Evaluation.** The Parties agree to establish an evaluation program for each of the activities undertaken as a part of the Project.

Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

- (a) evaluation of progress toward attainment of the objectives of the Project;
- (b) identification and evaluation of problem areas or constraints which may inhibit such attainment;
- (c) assessment of how such information may be used to help overcome such problems; and
- (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 6: Procurement Source

Section 6.1. **Foreign Exchange Costs.** Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A. I. D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A. I. D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex,^[1] Section C. 1(b) with respect to marine insurance.

Section 6.2. **Local Currency Costs.** Disbursements pursuant to Section 7.2 will be used exclusively to finance costs of goods and services required for Project having source and, except as A. I. D. otherwise agrees in writing, origin in the Republic of Lebanon.

^[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

Article 7: Disbursement**Section 7.1. Disbursement for Foreign Exchange Costs.**

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A. I. D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A. I. D. to procure commodities or services in Grantee's behalf for the Project; or

(2) by requesting A. I. D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A. I. D. committing A. I. D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A. I. D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A. I. D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

Section 7.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, Grantee may obtain disbursements of funds under the Grant for local currency costs required for the Project in accordance with the terms of this Agreement, by submitting to A. I. D. with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) Local currency needed for such disbursements may be obtained:

(1) by acquisition by A. I. D. with U.S. dollars by purchase,

(2) by A. I. D. (A) requesting Grantee make available local currency for such costs, and (B) thereafter making available to the Grantee, through opening or amendment by A. I. D. of Special Letters of Credit in favor of the Grantee or its designee, an amount of U. S. dollars equivalent to the amount of local currency made available by the Grantee, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U. S. dollar equivalent of local currency made available hereunder will be, in case subsection (b)(1) above, the amount of U. S. dollars required by A. I. D. to obtain the local currency, and in case of subsection (b)(2) above, an amount calculated at the exchange rate specified in the applicable Special Letter of Credit implementation memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

Section 7.4. Rate of Exchange. Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into the Republic of Lebanon by A. I. D. or any other public or private agency for purposes of carrying out obligations of A. I. D. hereunder, the Grantee will make such arrangements as may be necessary to convert such funds to Lebanese currency at the highest legal exchange rate in Lebanon.

Article 8: Miscellaneous

Section 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

Article 8, Section 8.1. Communications (continued)

To the Grantee: Republic of Lebanon
 Council for Development and Reconstruction
 Beirut, Lebanon

To A. I. D. Agency for International Development (NE/JLS)
 U.S. Department of State
 Washington, D.C. 20523

or Embassy of the United States of America
 Beirut, Lebanon

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Grantee, in addition, will provide the U.S. A.I.D. Mission in Beirut with a copy of each communication sent to A.I.D.

Section 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of President, Council for Development and Reconstruction and A.I.D. will be represented by the individual holding or acting in the office of AID Representative to Lebanon, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF LEBANON

By: Mohammed Atallah^[2]
 Title: President, Council for Development and Reconstruction

UNITED STATES OF AMERICA

By: Richard B. Parker^[3]
 Title: Ambassador

¹ See footnote 1, p. 3271.

² Mohammed Atallah.

³ Richard B. Parker.

ANNEX 1

PROJECT GOAL: The rehabilitation of Lebanon

PROJECT PURPOSE. To rehabilitate health and related services for the people of Lebanon. The project outputs will be a variety of functioning health-related institutions and services.

To achieve this purpose, A. L. D. will provide technical assistance, commodities and a limited amount of both training and operating expenses.

Because the needs of the health and health-related social affairs sectors are beyond A. L. D.'s capacity to fill, a list of selected priority projects has been drawn up for funding under this Grant. Specifically:

- A. Technical assistance and commodities to establish a national program of vocational education for the handicapped (\$400,000);
- B. Technical assistance, commodities and operating expenses for the establishment of socio-medical centers (\$1,000,000);
- C. Restoration of the Beirut Municipality's Public Health vehicle fleet and services (\$300,000);
- D. Reequipping of Tripoli Hospital (\$1,700,000);
- E. Technical assistance, training and commodities to establish a national emergency medical service system (\$1,000,000);
- F. Technical assistance and commodities for communicable disease investigation and surveillance (\$300,000);
- G. Technical assistance and commodities for environmental sanitation (\$200,000).

Amounts in parentheses reflect a tentative allocation of the Grant to each of the various activities.

These activities are at various stages of development. For final approval, the Grantee must develop sufficiently detailed information on each proposed activity to determine the type, magnitude and source of required resources, develop a detailed plan for applying these resources in the manner planned and demonstrate that the application of these resources in the manner planned has a reasonable likelihood of achieving the end result. To this end, technical assistance financed under this Grant may be used to assist the Government in developing activities.

Individual activities will be approved by Letters of Implementation issued by A. I. D. and approved by the Grantee.

It is possible that the amounts for specific activities may vary, that some activities may not continue to be feasible, or that new activities will be identified which the Grantor and Grantee agree are of higher priority than the activities listed above. Such changes will be agreed to through a Letter of Implementation between A. I. D. and the Grantee.

REPUBLIC OF CHINA
Express Mail Service

*Agreement, with detailed regulations, signed at Taipei and Washington September 11 and November 10, 1978;
Approved and ratified by the President of the United States of America December 30, 1978;
Entered into force December 30, 1978;
Effective December 27, 1978.*

INTERNATIONAL EXPRESS
MAIL AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE DIRECTORATE GENERAL OF POSTS
OF THE REPUBLIC OF CHINA

Preamble

The undersigned, by virtue of the authority vested in them, have concluded the following Agreement.

Article 1. Purpose of the Agreement

This Agreement shall govern the exchange of International Express Mail between the United States and the Republic of China, including any areas for which the postal administrations of these countries exercise International Express Mail responsibilities.

Article 2. Definitions

As used herein the following terms shall have the indicated meanings:

1. Administration - an abbreviated form used to refer to one of the postal administrations of the countries signatory to this Agreement;
2. Articles and sections - articles and sections of this Agreement, except when the context indicates an article which is or can be inserted into an item;
3. Convention - the Universal Postal Convention^[1] adopted by the Congress of the Universal Postal Union from time to time;
4. Detailed Regulations of the Convention - the Detailed Regulations of the Universal Postal Convention enacted by the Congress of the Universal Postal Union from time to time;

^[1]TIAS 5881, 7150, 8231; 16 UST 1291; 22 UST 1056; 27 UST 345.

5. International Express Mail service - the service established by this Agreement, the domestic counterparts of which are Express Mail Service in the United States and Speedpost Service in the Republic of China;
6. On-demand service - an International Express Mail service option which allows a sender to mail an item on a non-contractual basis and without any requirements for scheduling or prior designation of addressee;
7. References to the regulations of either administration or to the internal legislation of either country are to the general regulations or legislation governing the matter in question which are applicable regardless of the country of origin;
8. Scheduled service - an International Express Mail service option which allows a sender to enter into a contractual arrangement to mail items on a designated schedule to designated addressees.

Article 3. Scheduled service

1. Each administration shall offer scheduled service on a contractual basis to customers who agree to use the service on a designated schedule to send items to designated addressees.
2. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which scheduled service is

available, based upon the time schedules of the international flights used to carry scheduled items.

3. For each scheduled service contract, the administration of origin shall provide the administration of destination with the following information at least ten days prior to commencing service pursuant to such contract:

- (i) the identification number of the customer contract, which number shall be indicated on each item sent;
- (ii) the name and address of the designated addressee;
- (iii) the days of the week designated by the customer as scheduled dispatch days;
- (iv) the time of day delivery is requested; and
- (v) the airline and flight number to be used.

Article 4. On-demand service

1. Each administration shall offer on-demand service which shall be available to customers on a non-scheduled basis.

2. Each administration shall provide the other administration with a list of the cities and other locations to which on-demand service is available.

3. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which on-demand service is available, based upon the time schedules of the international flights used to carry on-demand items.

4. Each administration shall inform the other administration of all identification marks or numbers which it uses for each on-demand item.

5. The administration of origin is not required to provide the administration of destination with notice prior to sending an on-demand item.

Article 5. Charges to be collected from the sender

Each administration shall fix the charges to be collected from senders for sending items in the service.

Article 6. Charges and fees to be collected from the addressee

Each administration shall be authorized to collect from the addressee the customs duty and other applicable non-postal fees, if any, payable on each item it delivers and a charge for the collection of such fees.

Article 7. Conditions of acceptance

Provided that the contents do not come within the prohibitions listed in article 8, each item, to be admitted into the International Express Mail service shall:

(a) be packed in a manner adapted to the nature of the contents and the conditions of transport;

(b) bear the name and address of the addressee and of the sender; and

(c) satisfy the conditions of weight and size fixed by article 9.

Article 8. Prohibitions

1. The provisions of the Convention governing prohibitions shall be applicable to the insertion of articles in International Express Mail items.

2. Each administration shall communicate to the other the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing entry of postal items in its service.

Article 9. Limits of size and weight

1. An item of International Express Mail: (a) shall not exceed 900 millimeters for any one dimension nor 2 meters for the sum of the length and the greatest circumference measured in a direction other than that of the length; and (b) shall not exceed 15 kilograms in weight.

2. The administrations may agree by exchange of correspondence to change the size and weight limits established in section 1; however, the maximum weight limit shall in no event be increased in excess of 20 kilograms.

Article 10. Treatment of items wrongly accepted

1. When an item containing an article prohibited under article 8 has been wrongly admitted to the post, the prohibited article shall be dealt with according to the legislation of the country of the administration establishing its presence.

2. When the weight or the dimensions of an item exceed the limits established under article 9, it shall be returned to the administration of origin if the regulations of the administration of destination do not permit delivery.

3. When a wrongly admitted item is neither delivered to the addressee nor returned to origin, the administration of origin shall be informed how the item has been dealt with and of the restriction or prohibition which required such treatment.

Article 11. General rules for delivery and customs clearance

1. Each administration shall, in accordance with its regulations for the type of service used, make every effort to effect delivery of each item of International Express Mail by the fastest means available.

2. Each administration shall make every effort to expedite the customs clearance of International Express Mail items.

Article 12. Undeliverable items

1. After every reasonable effort to deliver an item has proved unsuccessful, the item shall be held at the disposal of the addressee for the period of retention provided by the regulations of the administration of destination.

2. An item refused by the addressee shall be returned immediately to the administration of origin.

3. Each undeliverable item shall be returned to the administration of origin through the International Express Mail service.

4. Neither administration shall charge the other for the return of undeliverable items.

Article 13. Items arriving out of course and to be redirected

1. Each item arriving out of course shall be redirected to its proper destination by the most direct route used by the administration which has received the item.

2. Neither administration shall charge the other for the redirection of items arriving out of course.

Article 14. Inquiries

1. Each administration shall answer in the shortest possible time, not to exceed one month, inquiries relating to any International Express Mail item posted by the other administration.

2. Inquiries shall be accepted only within a period of four months from the day after that on which the item was posted.

3. This article does not authorize routine requests for confirmation of delivery.

Article 15. Allocation of surface costs for traffic imbalances

1. At the end of each year of this Agreement, the administration which has received a larger quantity of International Express Mail than it has sent during that year shall have the right to collect from the other administration, as compensation, an imbalance charge for the surface handling and delivery costs it has incurred for each additional item received.

2. Each administration shall establish an imbalance charge per item which shall correspond to the costs of services.

3. Modifications of the imbalance charge may be made as follows:

a. Each administration may increase its imbalance charge when such an increase is necessary due to an increase in the costs of services.

b. To be applicable, any such modification of the imbalance charge must:

(i) be communicated to the other administration at least three months in advance;

(ii) remain in force for at least one year.

4. No imbalance charge shall be collected if the difference in the number of items exchanged is less than one thousand.

Article 16. Internal air conveyance dues

Each administration which provides air conveyance of items within its country shall be entitled to reimbursement of internal air conveyance dues at rates established in the provisions of the Convention which govern internal air conveyance dues.

Article 17. Onward air conveyance

1. The administrations may agree, by exchange of correspondence, to provide onward air conveyance services under the terms of this article.

2. Each administration shall, upon agreement under section 1 of this article, provide onward air conveyance service to or from any country with which it exchanges International Express Mail items, for items addressed to or originating in the other administration and shall provide approximate onward air conveyance times.

3. For each item forwarded pursuant to this article, the administration providing onward air conveyance services shall be authorized to collect from the other administration the onward air conveyance rates applicable to airmail under the Convention.

Article 18. No additional rates, charges, or fees

The administrations may collect only the rates, charges, and fees established under this Agreement.

Article 19. Application of the Convention

The Convention or its Detailed Regulations shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement or its Detailed Regulations.

TIAS 9392

Article 20. Temporary suspension of service

1. Should extraordinary circumstances justify it, either administration may suspend temporarily its operation of the service.

2. Notice of such suspension shall be given immediately to the other administration.

Article 21. Detailed Regulations

1. Details of implementation of this Agreement shall be governed by its Detailed Regulations.

2. The provisions of the Detailed Regulations may be amended, not inconsistently with this Agreement, by mutual consent by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 22. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Agreement which cannot be resolved by the administrations to their mutual satisfaction, shall be settled by arbitration, following the arbitration procedures of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration. The arbitrators shall be chosen from the administrations which provide a service analogous to International Express Mail service.

Article 23. Additional rules and regulations

Each administration is authorized to adopt implementing rules and regulations for its internal operation of the service not inconsistent with this Agreement or its Detailed Regulations.

Article 24. Entry into force and duration of the Agreement.

1. This Agreement shall enter into force on the date mutually agreed upon by the administrations, after it is signed by the authorized representatives of both administrations.^[1]

2. This Agreement shall expire twelve months after either administration notifies the other in writing of termination.

¹ Dec. 30, 1978.

Done in duplicate and signed at Washington, D. C., on
the 10th day of November, 1978, and at Taipei on the
11th day of September, 1978.

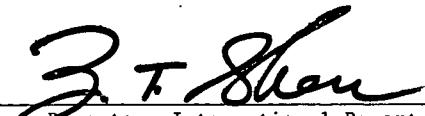
FOR THE UNITED STATES OF AMERICA:



H. Edgar S. Stock
Director, International Postal Affairs

[¹]

FOR THE REPUBLIC OF CHINA:



Z. T. Shen
Director, International Department

[²]

¹ H. Edgar S. Stock.

² Z. T. Shen.

DETAILED REGULATIONS OF THE INTERNATIONAL
EXPRESS MAIL AGREEMENT

BETWEEN

THE UNITED STATES POSTAL SERVICE

AND

THE DIRECTORATE GENERAL OF POSTS
OF THE REPUBLIC OF CHINA

The undersigned, by virtue of the authority vested in them, have drawn up the following Detailed Regulations for implementation of the International Express Mail Agreement between the Directorate General of Posts of the Republic of China and the United States Postal Service.

Article 101. Information to be supplied by the administrations

1. Each administration shall notify the other administration of:

- (a) the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing the entry of International Express Mail items in the territory of its country and other areas for which it has International Express Mail responsibility;
- (b) the provisions of its laws or regulations applicable to the conveyance of International Express Mail items;
- (c) the rates and dues established under the Agreement; and,
- (d) the forms, labels, and other documentation which it requires in the service.

2. Any change of the information mentioned in section 1 shall be communicated in writing immediately to the other administration.

Article 102. Address of the sender and of the addressee

To be admitted for mailing, each item of International Express Mail shall bear, in roman letters and arabic figures on the item

itself or on a label firmly attached to it, the names and complete addresses of the sender and of the addressee.

Article 103. Items containing merchandise

1. Each item containing merchandise or any other article subject to customs duty shall be accompanied by a customs declaration on Universal Postal Union form C2/CP3 or a similar form. The customs declaration shall be securely attached to each such item.

2. The contents of each such item shall be shown in detail on the customs declaration.

3. Although the administrations assume no responsibility for the accuracy of customs declarations, they shall inform senders of the correct way to complete these declarations.

4. The aggregate value of merchandise or other dutiable articles inserted into an item for delivery in the United States may not exceed \$250.

Article 104. Packing requirements

1. Each item shall be packed and closed in a manner befitting the weight, the shape, and the nature of the contents as well as the mode and duration of conveyance.

2. Each item shall be packed and closed so as not to present any danger if it contains articles of a kind likely to injure officials called upon to handle it or to soil or damage other mail or postal equipment.

3. Each item shall have, on its packing or wrapping, sufficient space for service instructions and for affixing labels.

4. Each item which requires special packing shall be made up in accordance with the packing provisions in the Detailed Regulations of the Convention.

Article 105. General make-up of mails

1. International Express Mail dispatches shall be made up in closed mails, and shall be accompanied by the air mail delivery bill and manifest forms required by these regulations.

2. The items in each dispatch shall be enclosed in blue and orange International Express Mail bags.

3. Items containing merchandise or other dutiable articles shall be placed in separate bags from non-dutiable items, and shall be dispatched separately accompanied by a separate manifest.

4. Each bag shall bear a label, showing the blue and orange chevron which has been adopted as the International Express Mail identification symbol. Each bag label shall clearly indicate:

- a. the exchange office of destination; and
- b. whether the bag contains merchandise or other dutiable items.

Article 106. Manifests

1. An International Express Mail manifest, on a form acceptable to each administration, shall accompany each dispatch.

2. Each item sent through the scheduled service shall be listed separately on the manifest. If no items are sent under a scheduled service contract, the contract number and the fact that no items were sent shall be entered on the manifest.

3. The total number of on-demand items in a dispatch shall be entered collectively as a single manifest entry.

4. The manifest shall clearly indicate that the dispatch contains International Express Mail items.

Article 107. Air mail delivery bills

1. An air mail delivery bill, on Universal Postal Union form AV 7, shall accompany each dispatch.

2. The air mail delivery bill shall be marked so as to indicate clearly that the dispatch contains International Express Mail.

Article 108. Exchange offices

1. The exchange of dispatches of International Express Mail shall be carried out by the designated exchange offices of each administration.

2. Each administration shall designate its International Express Mail exchange offices to be used in the service and inform the other administration of the location of each such exchange office.

3. Each administration shall give the other administration advance notice of redesignation of or addition to its exchange offices.

Article 109. Check of International Express Mail

1. Upon receipt of an International Express Mail dispatch, the administration of destination shall check the dispatch to confirm its conformity with the air mail delivery bill.

2. The contents of each dispatch shall be checked as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the manifest.

Article 110. Notification of irregularities

1. Any evidence of missing or damaged bags or items shall be reported to the administration of origin by telex or telegraph and confirmed in writing.

2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

Article 111. Redirection of items arriving out of course

The redirecting administration shall notify the administration of origin, by telex, telegraph, or telephone, of the details concerning the arrival and redirection of each item or bag arriving out of course.

Article 112. Return of items to origin

Each administration which returns an item for any reason whatsoever shall give, either written by hand or by means of a stamped impression or a label on the item and on the manifest which accompanies it, the reason for non-delivery.

Article 113. Accounting, settlement of accounts

1. The procedures for accounting and for the settlement of accounts for internal air conveyance shall be governed by the provisions covering accounting for air mail in the Detailed Regulations of the Convention.

2. The procedures for accounting and settlement of accounts for allocation of surface costs for traffic imbalances shall be as follows:

(a) The settlement shall take place annually.

The annual period shall begin on the date agreed upon under the provisions of Article 24 of the Agreement.

(b) Each administration shall prepare quarterly a statement of items received on a mutually acceptable form which indicates the number of items received in each dispatch based upon the particulars of the International Express Mail manifests. These forms shall be forwarded to the Administration of origin within two months from the end of the quarter.

(c) After verifying the statement of items received, the origin administration shall advise the destination administration by correspondence of its acceptance. If the verification reveals any discrepan-

cies, a corrected statement shall be returned to the destination administration duly amended and accepted. If the destination administration disputes the amendments, it shall confirm the actual data by sending photocopies of relevant International Express Mail manifests and notices of irregularities to the administration of origin. If the destination administration has received no notice of amendment within two months from the date of forwarding the quarterly statement of items received, the account shall be regarded as fully accepted.

(d) After each administration has accepted the statement of items received prepared by the other, the creditor administration shall prepare annually a detailed account and statement of charges on a mutually acceptable form which indicates the total number of items received and dispatched, the imbalance, the imbalance charge per item, and the total amount due.

(e) Accounts shall be closed within 6 months after the last day of the settlement period.

Article 114. Definitions

The definitions set forth in article 2 of the Agreement shall be applicable to these Detailed Regulations.

Article 115. Period of retention of documents

1. Documents of the service shall be kept for a minimum period of four months from the day following the date to which they refer.

2. A document concerning a dispute or an inquiry shall be kept until the matter has been settled. If the inquiring administration, duly informed of the result of an inquiry, allows six months to elapse from the date of the communication without raising any objections, the matter shall be regarded as settled.

Article 116. Alterations or amendments

These Detailed Regulations may be altered or amended, not inconsistently with the Agreement, by mutual consent of the administrations by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 117. Entry into force and duration of these Detailed Regulations

1. These Detailed Regulations shall come into force on the same date as the International Express Mail Agreement to which they refer.

2. These Detailed Regulations, and any amendments hereto pursuant to article 116, shall have the same duration as the International Express Mail Agreement to which they refer.

Done in duplicate and signed at Washington, D. C., on
the 10th day of November, 1978, and at Taipei on the
11th day of September, 1978.

FOR THE UNITED STATES OF AMERICA:



Edgar F. Hatch
Director, International Postal Affairs

FOR THE REPUBLIC OF CHINA:



Z. T. Shen
Director, International Department

The foregoing Agreement between the United States of America and the Republic of China for the exchange of International Express Mail items and the Detailed Regulations of the Agreement have been negotiated and concluded with my advice and consent and are hereby approved and ratified.

In testimony whereof I have caused the seal of the United States to be hereunto affixed.

[SEAL]

JIMMY CARTER

By the President

CYRUS VANCE

Secretary of State

Washington, December 30, 1978.

PERU
Sub-Tropical Lands Development

*Agreement signed at Lima June 30, 1978;
Entered into force June 30, 1978.*

(3303)

TIAS 9393

Préstamo A.I.D. No. 527-T-061
A.I.D. Loan No. 527-T-061

C O N V E N I O D E P R E S T A M O
L O A N A G R E E M E N T

E N T R E
B E T W E E N

L A R E P U B L I C A D E L P E R U
T H E R E P U B L I C O F P E R U

Y
A N D

L O S E S T A D O S U N I D O S D E A M E R I C A
U N I T E D S T A T E S O F A M E R I C A

PROYECTO DE DESARROLLO DE LAS TIERRAS DE LA CEJA DE LA SELVA
SUB-TROPICAL LANDS DEVELOPMENT PROJECT

Fecha: 30 de Junio de 1978
Date : June 30, 1978

CONVENIO DE PRESTAMO de fecha 30 de Junio de 1978 (el "Convenio"), entre la República del Perú (el "Prestatario") y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D.").

ARTICULO 1: EL CONVENIO

El objeto de este Convenio es establecer el entendimiento de las partes arriba nombradas con respecto al compromiso asumido por el Prestatario en relación al Proyecto descrito en la Sección 2.1 (el "Proyecto") y a la financiación del Proyecto por las partes.

ARTICULO 2: EL PROYECTO

SECCION 2.1. Definición del Proyecto. El Proyecto que se describe más ampliamente en el Anexo 1 consistirá en: construcción de caminos, crédito agrícola, desbrozo de terreno y equipamiento y servicio de maquinaria agrícola, almacenes y servicios de comercialización, trabajos de topografía y obtención de títulos de terrenos, servicios de extensión, estudio de los recursos y asistencia técnica para el desarrollo del área de las tierras de la ceja de la selva, conocida con el nombre de Huallaga Central-Bajo Mayo.

El Proyecto podrá ser complementado con obras y acciones de tipo social financiados con los recursos generados por la venta de alimentos en virtud del programa de la P.L. 480. Asimismo se podrán orientar recursos con cargo a otros créditos de la A.I.D. para financiar el equipamiento urbano de las ciudades ubicadas en el área del Proyecto.

LOAN AGREEMENT, dated June 30, 1978 (the "Agreement") between the Republic of Peru (the "borrower") and the United States of America, acting through the Agency for International Development ("A.I.D.").

ARTICLE 1: THE AGREEMENT

The purpose of this Agreement is to set out the understandings of the parties named above with respect to the undertaking by the Borrower of the Project described in Section 2.1, (the "Project") and the financing of the Project by the parties.

ARTICLE 2: THE PROJECT

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of: road construction, road maintenance, agricultural credit, land clearing and farm machinery equipment and services, marketing facilities and services, land surveying and titling activities, extension services, resource studies, and technical assistance for the development of a sub-tropical lands area known as the Huallaga Central-Bajo Mayo.

The Project may be complemented with the development of social infrastructure with funds generated from the sale of food under the P.L. 480 program. Also, A.I.D. may orient funds from other A.I.D. credits to finance urban development of localities in the Project Area.

El Anexo 1 adjunto, amplía la definición del Proyecto contenido en esta Sección 2.1. Dentro de los límites de la definición del proyecto en esta Sección 2.1., los elementos de la descripción ampliada enunciados en el Anexo 1, podrán ser cambiados mediante acuerdos por escrito por los representantes autorizados de las partes, nombrados en la Sección 9.2 sin necesidad de una enmienda formal de este Convenio.

Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1., elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the parties named in Section 9.2. without formal amendment of the Agreement.

ARTICULO 3: FINANCIAMIENTO

SECCION 3.1. El Préstamo. Para asistir al Prestatario a cubrir los costos de desarrollo del Proyecto, A.I.D., de acuerdo con la Ley de Ayuda Extranjera de 1961 y sus enmiendas, conviene en prestar al Prestatario bajo los términos de este Convenio, una cantidad que no excederá los Diecinueve Millones de Dólares Americanos (\$19,000,000) (el "Préstamo"). El monto total de desembolsos bajo el Préstamo constituye el capital del Préstamo.

El Préstamo puede ser utilizado para financiar costos en dólares americanos (tal como se define en la Sección 7.1) y costos en soles peruanos (tal como se define en la Sección 7.2) de bienes y servicios necesarios para el Proyecto.

SECCION 3.2. Recursos Aportados por el Prestatario para el Proyecto.

(a) El Prestatario conviene en suministrar o hacer que se suministre al Proyecto todos los fondos, además de los del Préstamo, y todos los recursos razonablemente necesarios para llevar a cabo el Proyecto en forma eficaz y oportuna.

ARTICLE 3: FINANCING

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to lend to the borrower under the terms of this Agreement not to exceed Nineteen Million United States Dollars (\$19,000,000) (the "Loan"). The aggregate amount of disbursements under the Loan constitutes the principal of the Loan.

The Loan may be used to finance U.S. dollar costs (as defined in Section 7.1) and Peruvian soles costs (as defined in Section 7.2) of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources reasonably required to carry out the Project effectively and in a timely manner.

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

(b) Los recursos suministrados por el Prestatario para el Proyecto no podrán ser menores que el equivalente de Seis Millones Quinientos Mil Dólares Americanos (\$6,500,000) incluyendo los costos cubiertos con contribuciones "en especie". Estos recursos podrán ser aportados por el prestatario a través de los recursos generados por la venta de alimentos recibidos mediante la P.L. 480.

SECCION 3.3. Fecha de Terminación de Asistencia del Proyecto.

(a) La Fecha de Terminación de Asistencia del Proyecto ("FTAP"), que es el 30 de Junio de 1983, ó cualquier otra fecha que las partes convengan por escrito, es la fecha para la cuál las partes estiman que todos los servicios financiados bajo el Préstamo habrán sido realizados, y todos los bienes financiados bajo el Préstamo habrán sido suministrados para el Proyecto tal como se contempla en este Convenio.

(b) A menos que A.I.D. conviniese en otra forma por escrito, A.I.D. no emitirá ó aprobará documentación que autorice desembolsos del Préstamo por servicios realizados después de la FTAP ó por bienes suministrados al Proyecto, tal como se contempla en este Convenio después de la FTAP.

(c) Las solicitudes de desembolso, acompañadas de la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, deberán ser recibidas por A.I.D. ó cualquier banco descrito en la Sección 8.1 a más tardar nueve (9) meses después de la FTAP ó en otro periodo convenido por A.I.D. por escrito. Despues de ese periodo, A.I.D., notifi-

(b) The resources provided by the Borrower for the Project will be not less than the equivalent of Six Million Five Hundred Thousand United States Dollars (\$6,500,000) including costs borne on an "in-kind" basis. These resources may be contributed by the borrower through funds generated by the sale of P.L. 480 commodities.

SECTION 3.3. Project Assistance Completion Date.

(a) The Project Assistance Completion Date ("PACD") which is June 30, 1983, or such other date as the parties may agree to in writing, is the date by which the parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement under the Loan for services performed after the PACD or for goods furnished for the Project, as contemplated in this Agreement, after the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D. giving notice in writing to the Borrower, may at any

cando por escrito al Prestatario puede, en cualquier momento, reducir el monto del Préstamo en su totalidad, o aquella parte del mismo por la que las solicitudes de desembolso acompañadas de la documentación de respaldo necesaria, prescrita en las Cartas de Implementación del Proyecto, no se hubieran recibido antes de la fecha de expiración de dicho periodo.

ARTICULO 4: TERMINOS DEL PRESTAMO

SECCION 4.1. Interés. El Prestatario pagará a A.I.D. intereses sobre el Préstamo a la tasa del dos por ciento (2%) anual durante los siete años siguientes a la fecha del primer desembolso del préstamo, y a la tasa del tres por ciento (3%) anual de ahí en adelante sobre saldos pendientes. El interés sobre el saldo adeudado se devengará desde la fecha (según se define en la Sección 8.5) de cada desembolso respectivo y se pagará semestralmente. El primer pago del interés vencerá y será pagadero a más tardar seis (6) meses después del primer desembolso del Préstamo, en una fecha que será especificada por A.I.D.

SECCION 4.2. Amortización. El Prestatario amortizará el capital a A.I.D. dentro de los veinte (20) años computables a partir de la fecha del primer desembolso del Préstamo en veintisiete (27) cuotas semestrales aproximadamente iguales de capital e intereses. La primera cuota del capital será pagadera seis y medio (6 1/2) años después de la fecha en la cual vence el primer pago de intereses de acuerdo a la Sección 4.1. A.I.D. proveerá al Prestatario con un plan de amortización de acuerdo con la presente Sección, después del desembolso final del Préstamo.

time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: LOAN TERMS

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest on the Loan which will accrue at the rate of two percent (2%) per annum for seven years following the date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on any outstanding balances. Interest on the outstanding principal balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay the principal to A.I.D. within twenty (20) years from the date of the first disbursement of the Loan in twenty-seven (27) approximately equal semi-annual installments of principal and interest. The first installment of principal will be payable six and one-half (6 1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECCION 4.3. Aplicación, Moneda y Lugar de Pago. Todos los pagos de intereses y capital del Préstamo deberán ser efectuados en dólares americanos y serán aplicados primero al pago de los intereses adeudados y después a la amortización del capital. A menos que A.I.D. especifícará de otra manera por escrito, todos estos pagos deberán ser efectuados al Contralor, Oficina de Administración Financiera, Agencia para el Desarrollo Internacional, Washington, D.C. 20523, U.S.A., y se considerarán efectuados a su recepción en la oficina mencionada.

SECCION 4.4. Pago Adelantado. Al pago de todos los intereses y reintegros entonces vencidos, el Prestatario puede pagar por adelantado, sin ningún otro cargo, todo o parte del capital. A menos que A.I.D. conviniese en otra forma por escrito, dichos pagos adelantados serán aplicados a las cuotas de capital en orden inverso a su vencimiento.

SECCION 4.5. Renegociación de los Términos.

(a) El Prestatario y A.I.D. acuerdan en negociar, en todo tiempo en que cualquiera de las partes pudiera requerir, una aceleración de la amortización del Préstamo, en el caso de que hubiese una mejora significativa de las perspectivas y posición financiera y económica externa e interna del Perú que le permitan pagar el Préstamo en un plazo más corto.

(b) Cualquier pedido de cualquiera de las partes a la otra de así negociar, se hará de acuerdo a la Sección 9.1 y dará el nombre y dirección de la persona o personas que representa-

SECTION 4.3. Application, Currency and Place of Payment. All payments of interest and principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D. C., 20523, U.S.A. and will be deemed made when received by such office.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Peru, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either party to the other to so negotiate will be made pursuant to Section 9.1 and will give the name and address of the person or persons who will

rán a la parte solicitante en dicha negociación.

(c) Dentro de los treinta (30) días después de la entrega de la solicitud de negociación, la parte que hubiera recibido la solicitud comunicará a la otra, de acuerdo a la Sección 9.1, el nombre y dirección de la persona o personas que la representarán en tales negociaciones.

(d) Los representantes de las partes se reunirán para llevar a cabo las negociaciones a más tardar treinta (30) días después de la entrega de la comunicación de la parte requerida conforme al inciso (c). Las negociaciones se llevarán a cabo en el lugar que se convenga mutuamente por los representantes de las partes, salvo que en ausencia de un convenio mutuo, las negociaciones tendrán lugar en el Ministerio de Economía y Finanzas del Perú.

SECCION 4.6. Terminación Luego del Pago Total. Al pagarse completamente el capital y todos los intereses devengados, este Convenio y todas las obligaciones del Prestatario y A.I.D. relacionadas con las disposiciones de este Convenio, fenecerán.

ARTICULO 5: CONDICIONES PREVIAS AL DESEMBOLOSO

SECCION 5.1. Condiciones Previas al Primer Desembolso. Con anterioridad al primer desembolso del Préstamo, o a la emisión por parte de A.I.D. de la documentación conforme a la cuál se efectuará el desembolso, el Prestatario, con excepción de aquello que A.I.D. acordara de diferente modo por escrito, deberá proporcionar a A.I.D. en la forma y substancia que sean satisfactorias a A.I.D.:

represent the requesting party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested party in such negotiations.

(d) The representatives of the parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested party's communication under sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the parties, provided that, in the absence of mutual agreement, the negotiations will take place at the Office of the Ministry of Economy and Finance in Lima, Peru.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. relating to the provisions of this Agreement shall terminate.

ARTICLE 5: CONDITIONS PRECEDENT TO DISBURSEMENT

SECTION 5.1. Conditions Precedent to Initial Disbursement. Prior to the first disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) Un Dictámen emitido por el Director General de la Dirección General de Asesoría Jurídica del Ministerio de Economía y Finanzas, ó otro asesor legal aceptable a A.I.D., en sentido de que este Convenio ha sido debidamente autorizado y/o ratificado por el Prestatario y celebrado en su nombre, y que constituye una obligación válida y legalmente exigible del Prestatario en conformidad con todos sus términos;

(b) Una declaración del nombre de la persona que representa al Prestatario y desempeña el cargo que se especifica en la Sección 9.2 y de cualquier representante adicional, junto con el facsímil de la firma de cada persona especificada en dicha declaración; y

(c) Evidencia de la existencia legal de una Agencia Ejecutora Regional para la Implementación del Proyecto.

SECCION 5.2. Condiciones Previas para Desembolsos que no sean para la Asistencia Técnica. Antes de cualquier desembolso del Préstamo, ó antes de la emisión, por parte de A.I.D. de documentación según la cual se realizará un desembolso para propósitos que no sean la asistencia técnica, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D. excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

(a) Evidencia de la aprobación de una organización administrativa y designación del Director del Proyecto, así como del personal clave.

(a) An opinion of the Director General of the General Department of Legal Counsel of the Ministry of Economy and Finance, or other counsel acceptable A.I.D. to the effect that this Agreement has been duly authorized and/or ratified by, and executed on behalf of the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(c) Evidence of legislation establishing a regional authority for implementation of the Project.

SECTION 5.2. Conditions Precedent to Disbursement for Other Than Technical Assistance. Prior to any disbursement of the Loan or the issuance by A.I.D. of documentation pursuant to which disbursement will be made for purposes other than technical assistance, the Borrower 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 implementing legislation for a Project administrative organization and assignment of a Project director and other key Project personnel;

(b) Un plan de implementación para el Proyecto el cual incluirá un plan calendario para la contribución de la contrapartida del Prestatario y un plan de protección de los recursos ambientales.

SECCION 5.3. Condiciones Previas para Desembolsos para Actividades de Construcción de Caminos. Antes de cualquier desembolso del Préstamo, 6 antes de la emisión, por parte de A.I.D. de documentación según la cual se realizará el desembolso para actividades de construcción de caminos, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

(a) Para diseño de caminos: contrato(s) legalizado(s) para servicios de ingeniería para el diseño final y supervisión de la construcción de camino(s);

(b) Para actividades de construcción de caminos:

(1) contrato(s) legalizado(s) para el (los) sub-proyecto(s) de construcción de caminos,

(2) un plan detallado para el mantenimiento de los caminos del (los) sub-proyecto(s) para los cuales se hayan aprobado diseños de nuevas construcciones ó mejoramiento.

SECCION 5.4. Condiciones previas para Desembolsos para la Construcción de Centros de Comercialización. Antes de cualquier desembolso del Préstamo, 6 antes de la emisión, por parte de A.I.D. de documentación según la cual

(b) An implementation plan for the Project which will include a time-phased plan for Borrower counterpart contribution and an environmental resource protection plan.

SECTION 5.3. Conditions Precedent to Disbursement for Road Construction Activities. Prior to any disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for road construction activities, the Borrower 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) For road design: executed contract(s) for engineering services for final design and supervision of road construction;

(b) For road construction activities:

(1) executed contract(s) for construction of road sub-project(s).

(2) a detailed plan for maintenance of the road subproject(s) for which new construction or improvement designs have been approved.

SECTION 5.4. Conditions Precedent to Disbursement for Construction of Marketing Centers. Prior to any disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for construction

se realizará el desembolso para la construcción de centros de comercialización, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

(a) Diseños finales de los almacenes de comercialización compatibles con las especificaciones del equipo completo;

(b) Contrato(s) de construcción legalizado(s) para el (los) almacén(es) de comercialización; y

(c) Un plan de mantenimiento para cada almacén, del cual se hayan aprobado los diseños finales.

SECCION 5.5. Condiciones Previas para Desembolsos para la Construcción de Centros de Maquinaria.

Antes de cualquier desembolso del Préstamo, ó antes de la emisión, por parte de A.I.D. de documentación según la cual se realizará el desembolso para la construcción de centros para la maquinaria, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

(a) Diseños finales de talleres de máquinas compatibles con las especificaciones completas del equipo;

(b) Contrato(s) de construcción legalizado(s) para el (los) taller(es) de máquinas;

(c) Planes de mantenimiento y operación para cada construcción, de la cual se hayan aprobado los diseños finales; y

of the marketing centers, the Borrower will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) Final marketing facility designs compatible with completed equipment specifications;

(b) Executed construction contract(s) for the marketing facility(ies); and

(c) A maintenance plan for each facility for which final designs have been approved.

SECTION 5.5. Conditions Precedent to Disbursement for Construction of Machinery Parks.

Prior to any disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for construction of the machinery parks, the Borrower will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) Final machine shop designs compatible with completed equipment specifications;

(b) Executed construction contract(s) for the machine shop(s);

(c) Maintenance and operation plans for each facility for which final designs have been approved; and

(d) La política de operación de SENAMA con respecto a servicios de maquinaria.

SECCION 5.6. Condiciones Previas para Desembolsos para Créditos e Infraestructura del Crédito.

Antes de cualquier desembolso del Préstamo, o antes de la emisión, por parte de A.I.D. de documentación según la cual se realizará el desembolso para conceder créditos a mediano plazo y créditos de infraestructura, el Prestatario deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

Evidencia del establecimiento de un mecanismo de Crédito en el Banco Agrario para la concesión de sub-préstamos para desbrozo de terrenos en las chacras y para otras mejoras específicas en provecho de las chacras, incluyendo una descripción de los procedimientos, responsabilidades administrativas, criterios de selección y términos y condiciones para sub-préstamos.

SECCION 5.7. Notificación del Cumplimiento de las Condiciones Previas. Cuando las condiciones previas especificadas en las Secciones 5.1 a 5.6 hayan sido satisfactoriamente cumplidas, A.I.D. notificará oportunamente al Prestatario.

SECCION 5.8. Plazos para las Condiciones Previas.

(a) Si todas las condiciones especificadas en la Sección 5.1 no se cumplieran dentro de los 90 días a partir de la fecha de este Convenio o una fecha posterior

(d) SENAMA operation policy regarding machinery services.

SECTION 5.6. Conditions Precedent to Disbursement for Medium-Term Credit and Credit Infrastructure.

Prior to any disbursement of the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for sub-lending for medium-term credit and credit infrastructure, the Borrower 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.:

Evidence of the establishment of a facility in the Agricultural Bank for subblending for on-farm land clearing and other specific farmstead improvements, including a description of procedures, administrative responsibilities, eligibility criteria and subblending terms and conditions.

SECTION 5.7. Notification of Meeting Conditions Precedent.

When the conditions precedent specified in Sections 5.1 through 5.6 have been satisfactorily met, A.I.D. will promptly notify the Borrower.

SECTION 5.8. Terminal Dates for Conditions Precedent.

(a) If all the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in

que A.I.D. conviniera por escrito, A.I.D. puede, según su criterio, terminar este Convenio mediante aviso por escrito al Prestatario.

(b) Si todas las condiciones especificadas en la Sección 5.2 no se cumplieran dentro de los 120 días a partir de la fecha de este Convenio, ó una fecha posterior que A.I.D. conviniera por escrito, A.I.D. puede según su criterio, cancelar el saldo del préstamo entonces pendiente de desembolso, en el monto no irrevocablemente comprometido a terceros y puede terminar este Convenio mediante aviso por escrito al Prestatario. En caso de dicha terminación, el Prestatario reembolsará inmediatamente el capital pendiente a esa fecha y cualquier interés devengado.

ARTICULO 6: ESTIPULACIONES ESPECIALES

SECCION 6.1. Equipo de Reemplazo y Repuestos. El Prestatario se compromete, y en particular el Servicio Nacional de Maquinaria Agrícola ("SENAMA"), a brindar un servicio de mecanización permanente, durante y después de la terminación del proyecto, reemplazando los equipos que fueran necesarios.

SECCION 6.2. Reinversión de los Ingresos del SENAMA. El Prestatario se compromete a que él reinvertirá los ingresos generados por SENAMA de sus actividades en el área del Proyecto, exclusivamente en el área del Proyecto.

writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower.

(b) If all of the conditions specified in Section 5.2. have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the principal then outstanding and any accrued interest.

ARTICLE 6: SPECIAL COVENANTS

SECTION 6.1. Replacement Equipment and Spare Parts. The Borrower covenants that it, and in particular the National Agricultural Machinery Service ("SENAMA"), will provide on a timely basis replacement equipment and spare parts for the Project as required, including necessary imported equipment and parts.

SECTION 6.2. Reinvestment of SENAMA Revenues. The Borrower covenants that it will reinvest exclusively in the Project area the revenues generated by SENAMA from its activities in the Project area.

SECCION 6.3. Equipo de Mantenimiento de Caminos. El Prestatario se compromete a que el equipo de mantenimiento de caminos será asignado en cantidades suficientes para asegurar las operaciones de todo el año de la Carretera que cruza desde Juanjui a través de Tarapoto hacia Chiclayo.

SECCION 6.4. Política de Precios de Alimentos. El Prestatario se compromete a analizar anualmente el impacto de su política de precios para los alimentos sobre la producción agrícola en el área del proyecto.

SECCION 6.5. Contribución de Contrapartida del Prestatario al Proyecto. El Prestatario se compromete a que él proveerá como una contribución de contrapartida al Proyecto una suma no menor al equivalente de US.\$6.5 millones, que pueden ser generados con la venta de alimentos transferidos al prestatario en virtud de la ley P.L. 480, de acuerdo con el plan acordado especificado en la Sección 5.2.(b).

ARTICULO 7: FUENTES DE ADQUISICION

SECCION 7.1. Costos en Dólares Americanos. Los desembolsos del Préstamo de acuerdo a la Sección 8.1, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto, que tengan su fuente y origen en países incluidos en el Código Geográfico 941 de A.I.D. en vigencia al tiempo de hacerse los pedidos o de suscribirse los contratos para tales bienes y servicios ("costos en dólares") excepto que A.I.D. conviniera por escrito en otra forma y excepto

SECTION 6.3. Road Maintenance Equipment. The Borrower covenants that road maintenance equipment will be assigned in sufficient quantities to assure all-year operation of the existing road from Juanjui through Tarapoto to Chiclayo.

SECTION 6.4. Food Pricing Policy. The Borrower covenants that it will conduct an annual review of its food pricing policy with respect to its impact on agricultural production in the Project area.

SECTION 6.5. Borrower Counterpart Contribution to the Project. The Borrower covenants that it will provide as counterpart contribution to the Project not less than the equivalent of US.\$6.5 million, which can be generated from the sale of P.L. 480 commodities, in accordance with the agreed plan specified in Section 5.2.(b).

ARTICLE 7: PROCUREMENT SOURCES

SECTION 7.1. U.S. Dollar Costs. Disbursements under the Loan pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("dollar costs"), except as A.I.D. may otherwise agree in writing, and except as provided in Annex 2 (Project Loan Standard

lo previsto en el Anexo 2 (Anexo de Estipulaciones Standard para el Convenio de Préstamo), Sección C.1(b), con respecto al seguro marítimo.

SECCION 7.2. Costos en Soles Peruanos. Los desembolsos del Préstamo, de acuerdo a la Sección 8.2, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto que tengan su fuente y, excepto que A.I.D. conviniera en otra forma por escrito, su origen en el Perú ("costos en soles peruanos").

ARTICULO 8: DESEMBOLOSOS

SECCION 8.1. Desembolsos para los Costos en Dólares.

(a) Despues del cumplimiento de las condiciones previas, el Prestatario puede obtener desembolsos de fondos del Préstamo para costos en dólares de bienes ó servicios requeridos para el Proyecto de acuerdo con los términos de este Convenio, por medio de uno de los siguientes métodos que se convinieran de mutuo acuerdo:

(1) Presentando a A.I.D., junto con la documentación de respaldo necesaria estipulada en las Cartas de Implementación del Proyecto, solicitudes de reembolso por dichos bienes y servicios, ó solicitudes para que A.I.D. obtenga artículos y servicios por cuenta del Prestatario para el Proyecto; ó

(2) Solicitando a A.I.D. que emita Cartas de Compromiso por montos específicos a uno ó más bancos de los Estados Unidos, aceptables a A.I.D., comprometiéndose A.I.D. a reembolsar

Provisions Annex),¹ Section C.1(b) with respect to marine insurance.

SECTION 7.2. Peruvian Soles Costs. Disbursements under the Loan pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Peru ("Peruvian Soles costs").

ARTICLE 8: DISBURSEMENTS

SECTION 8.1. Disbursement for Dollar Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the dollar costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) By submitting to A.I.D. with necessary supporting documentation as prescribed in Project Implementation Letters, requests for reimbursement for such goods or services, or requests for A.I.D. to procure commodities or services on behalf of the Borrower for the Project; or

(2) By requesting A.I.D. to issue Letters of Commitment for specified amounts to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

a dicho banco ó bancos por pagos hechos por ellos a los contratistas ó proveedores bajo Cartas de Crédito ó en otra forma, por tales bienes y servicios.

(b) Los gastos bancarios, incurridos por el Prestatario en conexión con las Cartas de Compromiso y las Cartas de Crédito, serán financiados por el Préstamo a menos que el Prestatario instruya a A.I.D. anticipadamente lo contrario.

SECCION 8.2. Desembolsos para los Costos en Soles Peruanos.

(a) Despues del cumplimiento de las condiciones previas, el Prestatario puede obtener desembolso de fondos del Préstamo para los costos en soles peruanos requeridos por el Proyecto, de acuerdo con los términos de este Convenio, presentando a A.I.D. con la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, solicitudes para financiar dichos costos.

(b) Los soles peruanos necesarios para tales desembolsos pueden ser obtenidos mediante adquisición por A.I.D. en compra con dólares americanos.

(c) El equivalente en dólares americanos de los soles peruanos puestos a disposición en virtud de este Convenio será, en el caso de la subsección (b) anterior, el monto en dólares americanos requeridos por A.I.S. para obtener soles peruanos, de acuerdo con las disposiciones de la Sección 8.4.

SECCION 8.3. Otras Formas de Desembolsos. Los desembolsos del Préstamo pueden también hacerse a través de otros medios legales

made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by the Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. in advance to the contrary.

SECTION 8.2. Disbursement for Peruvian Soles Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursement of funds under the Loan for Peruvian soles costs required for the Project in accordance with the term of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The Peruvian soles needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase.

(c) The U.S. dollar equivalent of the Peruvian soles made available hereunder will be, in the case of subsection (b) above, the amount of U.S. dollars required by A.I.D. to obtain the Peruvian soles in accordance with the provisions of Section 8.4.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other legal means as the

que las partes convengan por escrito.

SECCION 8.4. Tipo de Cambio. Excepto en el caso de que se estipule más específicamente en la Sección 8.2, si los fondos provistos por el Préstamo son introducidos al Perú por A.I.D. o cualquier entidad pública o privada con el objeto de llevar a cabo obligaciones de A.I.D. bajo este Convenio, el Prestatario hará los arreglos que sean necesarios a fin de que tales fondos puedan ser convertidos en soles peruanos a la tasa más alta de cambio que, al tiempo de su conversión, no sea ilegal en el Perú.

SECCION 8.5. Fecha de los Desembolsos. Se considerará que A.I.D. ha efectuado los desembolsos del Préstamo (a) en la fecha en que A.I.D. haga los desembolsos al Prestatario o a su delegado, o a un banco, contratista o proveedor en conformidad a una Carta de Compromiso o de Crédito; (b) en la fecha en que A.I.D. desembolse al Prestatario o a su delegado, soles peruanos adquiridos de acuerdo con la Sección 8.2(b); o (c) en el caso de desembolsos de acuerdo a la Sección 8.3, en la fecha especificada en las otras formas de documentos de desembolso.

ARTICULO 9: MISCELLANEOUS

SECCION 9.1. Comunicaciones. Cualquier aviso, solicitud, documento u otra comunicación dada, hecha o enviada por cualquier parte a la otra en relación con el presente Convenio, deberá ser por escrito o por telegrama o cable, y se considerará como debidamente dada o hecha o enviada a la otra parte a la siguiente dirección:

parties may agree to in writing.

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into Peru by A.I.D. or any public or private entity for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into Peruvian soles at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Peru.

SECTION 8.5. Date of Disbursement. Disbursements of the Loan by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Letter of Credit; (b) on the date on which A.I.D. disburses to the Borrower or its designee Peruvian Soles acquired in accordance with Section 8.2(b); or (c) in the case of disbursements pursuant to Section 8.3, on the date specified in the other form of disbursement documents.

ARTICLE 9: MISCELLANEOUS

SECTION 9.1. Communications. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

Al Prestatario

Dirección Postal
Ministerio de Economía y
Finanzas
Lima, Perú

Dirección Cablegráfica
MINDECONOMIA
Lima, Perú

con copia a la
Dirección General de
Crédito Público

A la A.I.D.:

Dirección Postal:
Misión Económica de los
Estados Unidos en el Perú
a/c Embajada de los Estados
Unidos
Lima, Perú

Dirección Cablegráfica
USAID, AmEmbassy
Lima, Perú

Todas estas comunicaciones serán en
inglés, a menos que las partes convengan
lo contrario por escrito. Otras direc-
ciones pueden substituir a las arriba
especificadas previo aviso por escrito.

SECCIÓN 9.2. Representantes. Para
todos los propósitos relativos a
este Convenio, el Prestatario estará
representado por la persona que desempeñe,
titular o interinamente el
cargo de Director General de Crédito
Público y A.I.D. estará representada
por la persona que desempeñe, titular
o interinamente, el cargo de Director
de la Misión, quienes podrán designar
representantes adicionales mediante
aviso por escrito, para cualquier
propósito, excepto el de ejercer la
facultad de la Sección 2.1, de revisar
elementos de la descripción
ampliada en el Anexo 1. Los nom-
bres de los representantes del

To the Borrower:

Mail Address:
Ministry of Economy and
Finance
Lima, Peru

Cable Address:
MINDECONOMIA
Lima, Peru

with copy to
General Directorate of
Public Credit

To A.I.D.:

Mail Address:
United States A.I.D.
Mission to Peru
c/o United States Embassy

Cable Address:
USAID, AmEmbassy
Lima, Peru

All such communications will be in
English unless the parties other-
wise agree in writing. Other ad-
dresses may be substituted for the
above upon the giving of prior notice.

SECTION 9.2. Representatives. For
all purposes relevant to this Agree-
ment, the Borrower will be represented
by the individual holding or acting
in the office of the Director General
of Public Credit and A.I.D. will be
represented by the individual holding
or acting in the office of Mission
Director; each of whom, by written
notice may designate additional
representatives for all purposes
other than exercising the power
under Section 2.1 to revise elements
of the amplified description in Annex
1. The names of the representatives
of the Borrower with specimen signatures,
will be provided to A.I.D., which may

Prestatario con facsimiles de sus firmas, serán proporcionados a A.I.D., que puede aceptar como debidamente autorizado cualquier instrumento firmado por tales representantes en la implementación de este Convenio hasta recibir notificación escrita de revocación de sus poderes.

SECCION 9.3. Idioma que prevalece.
El presente Convenio ha sido suscrito en dos versiones, inglés y español. En caso que existiera ambigüedad o conflicto entre las mismas, la versión en inglés prevalecerá.

SECCION 9.4. Anexo de Estipulaciones Standard. Se adjunta a este Convenio y forma parte del mismo un "Anexo de Estipulaciones Standard para el Convenio de Préstamo" (Anexo 2).

EN TESTIMONIO DE LO CUAL, la República del Perú y los Estados Unidos de América, actuando cada cuál por medio de sus respectivos representantes debidamente autorizados, han suscrito el presente Convenio en sus nombres y lo han otorgado en el día y el año mencionados en el encabezamiento.

REPUBLICA DEL PERU
REPUBLIC OF PERU

Javier Silva Ruete
Título: Ministro de Economía y Finanzas
Title : Minister of Economy and Finance

accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Controlling Language.
This Agreement is executed in both the English and Spanish languages. In case of inconsistency or conflict between the two versions, the English version shall control.

SECTION 9.4. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Republic of Peru and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed the day and year first above written.

UNITED STATES OF AMERICA
ESTADOS UNIDOS DE AMERICA

Harry W. Shlaudeman
Title : United States Ambassador
Título: Embajador de los Estados Unidos

Leonard Yaeger
Title : USAID/Peru Mission Director
Título: Director, USAID/Perú

¹ See footnote 1, p. 3317.

ANEXO I
ANNEX IDESCRIPCION DEL PROYECTO
DESCRIPTION OF THE PROJECTI. Meta y Propósito

El Proyecto tiene la intención de contribuir a mejorar la capacidad de Perú en la producción de alimentos, generación de empleo e ingreso del poblador rural pobre. El propósito del Proyecto es el de desarrollar el potencial agrícola del Huallaga Central Bajo Mayo, como una área de la selva alta localizada en el Departamento de San Martín. El propósito del proyecto se alcanzará a través de infraestructura básica e intervenciones institucionales diseñadas a probar un modelo de desarrollo de bajo costo de posible repetición en otras áreas de Perú. Los componentes básicos del Proyecto que serán financiados para alcanzar el propósito del Proyecto son: caminos, mantenimiento de caminos, crédito agrícola, desbrozo de terreno, equipo y servicios de maquinaria agrícola, almacenes y servicios de comercialización, trabajos de topografía y titulación de terrenos, servicios de extensión, estudio de los recursos y asistencia técnica.

I. Goal and Purpose

The Project is intended to contribute to Peru's food production capability, employment and income for the rural poor. The Project's purpose is to develop the Huallaga Central Bajo Mayo's agricultural potential, an area of the high jungle located in the Department of San Martín. Achievement of the Project purpose will be through basic infrastructure and institutional interventions aimed at testing a low cost development model for possible replication in other areas in Peru. The basic Project components which will be financed to achieve the Project's purpose are: roads, road maintenance agricultural credits, land clearing and farm machinery equipment and services, marketing facilities and services, land surveying and titling activities, extension services, resource studies and technical assistance.

II. Elementos del Proyecto

La Agencia Ejecutora, responsable de la implementación y ejecución del Proyecto, será el Comité Departamental de Desarrollo de San Martín, el mismo que posteriormente se convertirá en un Organismo de Desarrollo Regional, tal como el que existe para los Departamentos de Loreto y Ancash.

II. Project Elements

The Implementing Agency, responsible for the implementation and execution of the Project, will be the Development Committee for the Department of San Martín, which will later be converted into a Regional Development Committee patterned after those which exist in the Departments of Ancash and Loreto.

El Comité de Desarrollo pondrá los fondos a disposición de las Unidades Ejecutoras (e.g. Ministerio de Agricultura, Ministerio de Transporte, ONERN, etc.) a través de Convenios Específicos de Operación para ejecución de obras por encargo.

El Instituto Nacional de Planificación establecerá en su Sede Central una Oficina de Enlace para la coordinación entre el Proyecto, la A.I.D. y los Sectores de la Administración Pública.

A. Construcción de Caminos

El Proyecto contratará para el mejoramiento de 76 kms. de caminos existentes y la construcción de aproximadamente 98 Kms. de caminos nuevos. Se ha presupuestado en el Proyecto la cantidad de US\$7,505,000 para financiar los costos de diseño, construcción y supervisión acurrirarse en el mejoramiento y construcción de los caminos de penetración. Los caminos constituirán básicamente plataformas de cuatro metros catalogados como caminos de tránsito permanente. A continuación se detallan los caminos a ser construidos o mejorados:

	Longitud (Kms)
1. Bellavista-San Pablo	34.0
2. San Pablo-San José	35.5
3. Biabo	31.8
4. Ponaza	30.0
5. Pucacaca	10.3
6. Buenos Aires-Paujilsapa	12.5
7. Sacanche-Sapozoa	20.0
	<u>174.1</u>

Es vital la construcción rápida de estos caminos básicos de penetración para el éxito del Proyecto. El diseño del Proyecto anticipa que todo el trabajo de

The Development Committee will assign funds to the Implementing Agencies (e.g. Ministry of Agriculture, Ministry of Transport, ONERN, etc.) by means of Specific Operations Contracts designating the work to be completed.

The National Planning Institute will establish in its National Headquarters a Coordination Office to coordinate the inputs of A.I.D. and Public Sector Institutions.

A. Road Construction

The Project will contract for the upgrading of 76 Kms. of existing roads and the construction of approximately 98 Kms. of new roads. The Project budgets US\$7,505,000 to finance the design, construction, and supervision costs for penetration road construction and improvements. The roads will be four meter roadbeds designed as all weather roads. Following is a table of roads to be constructed or upgraded:

	Length (Kms)
1. Bellavista-San Pablo	34.0
2. San Pablo-San José	35.5
3. Biabo Valley	31.8
4. Ponaza Valley	30.0
5. Pucacaca (West Valley)	10.3
6. Buenos Aires-Paujilsapa	12.5
7. Sacanche-Sapozoa	20.0
	<u>174.1</u>

Rapid construction of these basic penetration roads is vital to the success of the Project. Project design anticipates that all road construction will be completed by

construcción de caminos será completado por el sector privado de construcción (de cualquier país en el Código 941 o Perú) a través de licitaciones convocadas por el Ministerio de Transportes y Comunicaciones (MTC). El paquete total de construcción de caminos se dividirá en varios sub-paquetes para su licitación y sea de esta manera factible la construcción simultánea de estos caminos por firmas diferentes. El MTC supervisará los trabajos de construcción contratados.

B. Equipo para Mantenimiento de Caminos

El Proyecto proveerá el equipo necesario para el mantenimiento de los caminos en el área del Proyecto. El equipo es para el mantenimiento de los caminos, para que permitan un tráfico permanente, en la Carretera Marginal entre Tarapoto y Juanjui, de los caminos construidos o mejorados por el Proyecto y otras carreteras públicas que sirven el Área del Proyecto.

Además, el equipo será usado para construir vías de penetración adicionales que aperturen áreas agrícolas que no son fácilmente accesibles pero que se encuentran en el área general del Proyecto.

El equipo será operado y mantenido por el Ministerio de Transportes y Comunicaciones. El Ministerio de Transportes y Comunicaciones usará el equipo solamente para mantener los caminos del área del Proyecto como se describió en el primer párrafo de esta sección. El monto presupuestado en el Proyecto para este componente es de US.\$1,416,000.

the private construction sector (from any code 941 country or Peru) through bids let by the Ministry of Transportation and Communications (MTC). The total road construction package will be split into several packages for bidding so as to allow simultaneous construction by several different firms. Supervision of the contracted construction work will be by the MTC.

B. Road Maintenance Equipment

The Project provides for the equipment necessary to maintain the roads in the Project area. The equipment is for the maintenance on an all weather basis of the Marginal Highway between Tarapoto and Juanjui, Project built or improved penetration roads, and other public highways which service the Project Area.

Further, the equipment is to be used to build additional penetration tracks opening up farm areas which are not easily accessible but are in the general Project Area.

The equipment will be operated and maintained by the Ministry of Transportation and Communications. The Ministry of Transportation and Communications will use the equipment only for roads servicing the Project area as described in the first paragraph of this section. The Project's budget for this component is established at US.\$1,416,000.

C. Parques de Maquinaria

SENAMA desarrollará un servicio de maquinaria en el área del Proyecto, diseñado para facilitar el desbrozo y cultivo de terrenos. Fondos del Proyecto en la cantidad de US.\$3,725,000 han sido presupuestados para construcción y equipamiento de los parques de maquinaria. Los fondos de A.I.D. para SENAMA tienen el propósito de capitalizarla para sus operaciones en el área del Proyecto; con este fin, estos fondos deben ser transferidos directamente como una donación en vez de un préstamo por el Gobierno Peruano a SENAMA. La política de precios de SENAMA debe reflejar tanto los costos de depreciación como los costos fijos y variables incurridos en las operaciones de las mismas.

Los ingresos generados por SENAMA en el área del Proyecto serán reinvertidos en servicios de maquinarias adicionales para el área del Proyecto y en ningún caso dichos fondos serán utilizados para el programa nacional de operación de maquinaria de SENAMA. En el caso de que la operación del área del Proyecto de SENAMA genere más recursos de aquellos que sean necesarios para las operaciones del área del Proyecto, mantenimiento, reemplazo del equipo, repuestos y expansión (tal como sea determinado por una demanda efectiva), estos fondos serán reinvertidos en el área del Proyecto a discreción del Comité de Desarrollo. Cualquier utilización de fondos hecha de acuerdo a los criterios arriba indicados requerirá la aprobación escrita con anticipación de la A.I.D. Fondos autorizados para otros usos por SENAMA pueden, a discreción del Comité de Desarrollo, ser invertidos en

C. Machinery Parks

SENAMA will develop a Project area machinery facility designed to facilitate land clearing and cultivation. Project funds of US.\$3,725,000 have been budgeted for construction and equipment of the machinery parks. A.I.D. funds are intended for the capitalization of SENAMA's operation in the Project area; as such these funds should be directly transferred on a grant rather than a loan basis from the Peruvian Government to SENAMA. SENAMA's pricing policy should reflect depreciation costs as well as other fixed and variable costs accrued as a result of the operations.

SENAMA Project area generated revenues will be reinvested into additional machinery services for the Project area and in no case will these funds be diverted into SENAMA's national machinery operation program. In the event that SENAMA's Project area operation generates more resources than are needed for its Project area operations, maintenance, replacement equipment, spare parts and expansion (as determined by effective demand) these funds will be reinvested in the Project area at the discretion of the Development Committee. Any diversion of funds made according to the above criteria will require advance written approval by A.I.D. Funds authorized for diversion from SENAMA may, at the discretion of the Development Committee, be invested in Project activities and/or in social infrastructure for the Project area (e.g. schools and rural health facilities).

actividades del Proyecto y/o infraestructura social para el área del Proyecto (v.g. escuelas, e infraestructura de salud rural).

Se contempla que los servicios de SENAMA no podrán cubrir la demanda anticipada en el área del Proyecto, sin embargo la A.I.D. podrá autorizar por escrito el uso de la maquinaria de SENAMA financiada con el Proyecto en áreas contiguas al área del Proyecto debido a la escasez temporal de demanda resultante de condiciones climatológicas y/o ciclos de cosecha.

Los requerimientos mayores para una efectiva operación de SENAMA en el área del Proyecto incluyen:

a. Talleres adecuados de mantenimiento y reparación y adecuada capacidad de servicio en el campo. SENAMA desarrollará su centro principal de servicio de maquinaria en Tarapoto con cuatro centros adicionales localizados a través del área del Proyecto. Estos centros estarán completamente equipados con mecánicos entrenados, con juegos completos de herramientas, repuestos y equipo.

b. Desarrollo de una red de comunicación por radio y una infraestructura de transporte capaz de movilizar a los operadores de la maquinaria, a los combustibles y los repuestos a los lugares de trabajo del Proyecto.

c. Un sistema gerencial capaz de programar y organizar el uso del equipo con eficiencia máxima.

It is contemplated that SENAMA's services will not be able to meet the anticipated demand in the Project area, however, A.I.D. may authorize in writing the use of SENAMA's Project financed machinery in areas contiguous to the Project due to the temporary lack of demand resulting from weather conditions and/or crop cycles.

Major requirements for the effective SENAMA operation in the area include:

a. Adequate maintenance and repair facilities and field servicing capability. SENAMA will develop its principal machinery service center at Tarapoto with four additional centers located throughout the Project area. These centers will be fully staffed with trained mechanics, a full complement of tools, spare parts and equipment.

b. Development of a radio communication network and a transportation infrastructure capable of moving machinery operators, fuels and spare parts to work sites.

c. A management system capable of programming and organizing equipment use at maximum efficiency.

d. Una Política de Operación que establezca como condición previa (Sección 5.5), criterios de elegibilidad para los servicios de maquinaria, incluyendo pero sin limitarse a lo siguiente:

-- Límites máximos y mínimos de la cantidad de terreno que será desbrozado o preparado para un propietario individual;

-- Establecimiento de criterios ecológicos, basados en el plan de protección ambiental a ser desarrollado por ONERN, en cuanto a la calidad de tierra elegible para desbrozo incluyendo por lo menos las siguientes variables: localización (incluyendo distancia a ríos y arroyos), pendientes y clases de terreno;

-- Un sistema preferencial para desbrozo de crecimiento secundario sobre selva virgen;

-- Una estructura de precios que cubra costos reales de operación y depreciación de los equipos.

D. Crédito Agropecuario

Un fondo para crédito que complemente líneas de crédito para producción, se establecerá en el Banco Agrario. Se ha presupuestado en el Proyecto la cantidad de US.\$4,730,000 para este Fondo. Para los fines de ejecutar este componente del proyecto, el Prestatario designa como su Agente Financiero al Banco Agrario del Perú, que deberá celebrar con el Comité Departamental de Desarrollo de San Martín y el Ministerio de Agricultura y Alimentación el

d. An Operations Policy which will establish as a condition precedent (Section 5.5.), machinery services eligibility criteria, including but not limited to the following:

-- Upper and lower limits on the amount of land that will be cleared or prepared for a single landholder;

-- Establishment of ecological criteria, based on the environmental protection plan to be developed by ONERN, for quality of land eligible for clearance including at least the following variables: location (including distance from rivers and streams), slopes and land class;

-- A preference system for clearance of secondary growth over virgin forest;

-- A pricing structure which will cover actual operation and depreciation costs of the machinery operation.

D. Agricultural Credits

A fund for credits, to complement credit lines for production will be established in the Agrarian Bank. An amount of US.\$4,730,000 has been budgeted for this Fund. The Borrower will designate as Financial Agent the Agrarian Bank of Peru to implement this component of the Project. The Agrarian Bank in turn will sign the appropriate Agreement(s), with the Development Committee for the Department of San Martin and the Ministry of Agriculture and Food, for the approval of loans

o los Convenios necesarios para el otorgamiento de préstamos por cuenta de la Agencia Ejecutiva del Proyecto con el objeto de coordinar las acciones que a cada uno corresponda. Los usos elegibles para el Fondo en crédito a mediano plazo se restringirán a actividades de mejoramiento y capitalización, incluyendo el financiamiento para mejoramiento en chacra tal como desmonte de terrenos, compras de maquinaria, perforación de pozos, compra de ganado, construcciones agrícolas, el desarrollo de estructuras simples de irrigación en chacra y reforestación. En las categorías de elegibilidad mencionadas anteriormente, tendrán primera prioridad en la asignación de Fondos las actividades de desmonte de terreno. Las condiciones de los préstamos serán consistentes con aquellas líneas de crédito similares para préstamos agrícolas.

E. Centros de Recolección y Comercialización

La infraestructura de comercialización de la zona será ampliada por EPSA para comercializar en forma eficiente los mayores volúmenes de producción agropecuaria en el área del Huallaga Central Bajo Mayo. EPSA ampliará su capacidad presente de almacenamiento de dos almacenes con 4,000 toneladas métricas de capacidad a cuatro almacenes con una capacidad de 9,000 toneladas métricas. Estos almacenes se construirán principalmente para la limpieza, secado, manejo de carga y embarques de granos producidos en la región. Un total de US.\$840,000 de los fondos del Proyecto se han asignado para materiales, equipo y personal.

on behalf of the Development Committee in order to coordinate the activities incumbent to each party. Eligible uses of the Fund for medium term credits will be restricted to improvement and capitalization activities, including financing for on-farm improvements such as land clearing, purchase of machinery, well drilling, livestock purchases, construction of farm buildings, development of simple on-farm irrigation structures and reforestation. In the aforementioned categories, first priority will be for land clearing activities. The conditions for granting loans will be consistent with similar lines of agricultural credits.

E. Marketing and Collection Centers

The zone's marketing infrastructure will be expanded by EPSA to efficiently market the increased agricultural production in the Huallaga Central Bajo Mayo area. EPSA will expand its two existing storage facilities of 4,000 metric tons to four facilities with a capacity of 9,000 metric tons. These facilities are primarily for clearing, drying, loading, handling and shipping grains produced in the region. A total of US.\$840,000 of Project funds are allocated for materials, equipment and personnel.

F. Trabajos de Topografía y Titulación

El Ministerio de Agricultura y Alimentación a través de su oficina de titulación de tierras racionalizará la tenencia de la tierra en el área del Proyecto. Normalización de la propiedad de la tierra es un componente crítico del Proyecto, necesario para alentar la inversión de mediano plazo en chacra. Un nuevo juego de fotografías séreas serán tomadas las cuales servirán como información base sobre la tenencia de la tierra en el área. El Proyecto ha presupuestado la cantidad de U.S. \$820,000 para actividades de titulación de tierras, incluyendo el financiamiento del equipo, materiales y personal.

G. Extensión Agrícola

El Ministerio de Agricultura y Alimentación llevará a cabo una ampliación mayor en su programa de extensión en el área del Proyecto. El servicio de extensión incorporará personal adicional y adquirirá una variedad de equipo para equipar completamente sus actividades, incluyendo vehículos, materiales, botes, herramientas de demostración, generadores eléctricos y stocks de pesticidas y fertilizantes. Los mayores esfuerzos de los recursos adicionales dedicados a la actividad de extensión serán para impulsar cambios en los sistemas de cultivo, desbrozo de terreno y actividades de conservación de suelos y cambios en la producción de las chacras como resultado de la intervención del Proyecto. Se ha presupuestado la cantidad de US.\$1,148,000 para financiar la expansión del programa de extensión.

F. Land Surveying and Titling

The Ministry of Agriculture and Food through its land titling office will rationalize the land tenure in the Project area. Normalization of land ownership is a critical component of the Project needed to encourage the necessary medium-term, on-farm investments. A new set of aerial photos will be taken as a data base for the area's land tenure. A Project budget of U.S.\$820,000 for land titling activities, including the financing of equipment, materials and personnel has been determined.

G. Agricultural Extension

The Ministry of Agriculture and Food will undertake a major expansion of its existing extension program in the Project area. The extension service will add additional personnel and purchase a variety of equipment for fully equipping its activities including vehicles, motorcycles, boats, demonstration tools, electric generators and supplies of pesticides and fertilizers. The main thrusts of the additional resources dedicated to the extension activity are to assist in crop pattern changes, land clearing and soil conservation activities and farm production changes resulting from the various project interventions. A budget of US.\$1,148,000 is allocated to finance the expansion of the extension program.

H. Evaluación de Recursos

ONERN llevará a cabo; una evaluación de los recursos indicando los cambios dentro del área del Proyecto; evaluará dos áreas adicionales para una posible repetición del Proyecto y desarrollará un plan para protección ambiental para el área del Proyecto. Percepción remota y verificación en sitio de imágenes obtenidas por satélite serán utilizadas para identificar y dibujar mapas de suelos, gradientes, aguas subterráneas, caminos, vías, sembríos, vegetación y otros aspectos de los recursos existentes. Tales sistemas deberán ser diseñados con el propósito de proveer con exactitud a los administradores de los proyectos información oportuna sobre el área desbrozada, área sembrada, estado de los sembríos incluyendo rendimientos probables y fechas de cosecha. Esta capacidad será aplicada no solamente en el área del Proyecto para ayudar en la administración del mismo si no que también a otras dos áreas de la selva alta para planeamiento futuro y posible repetición del Proyecto. Se ha presupuestado en el Proyecto la cantidad de US.\$500,000 para ayudar a ONERN en el desarrollo de estos estudios sobre los recursos.

I. Dirección del Proyecto

El Proyecto será administrado por el Comité de Desarrollo para San Martín. El Proyecto incluye fondos (US.\$490,000) para coadyuvar al Comité de Desarrollo a llevar a cabo sus funciones Gerenciales en la implementación del Proyecto, incluyendo la elaboración de un plan de implementación, un plan de desarrollo integral, la compra de vehículos,

H. Resource Evaluations

ONERN will carry out a resource evaluation measuring the changes within the Project area; evaluate two additional areas for possible project replication; and develop the environmental protection plan for the Project area. Remote sensing and on-site verification of satellite imagery will be employed to identify and map soils, gradients, ground water, roads, tracks, crops, vegetation and other aspects of the resource base. Such systems should be designed so as to provide project administrators with accurate timely information on the area cleared, planted, status of plantings including probable yields, and harvest dates. This capability will be applied not only to the Project area to assist Project management but also to two other areas of the high jungle for future planning and possible project replication. The Project has allocated US.\$500,000 to assist ONERN in developing these resource studies.

I. Project Direction

The Project will be directed by a Development Committee for San Martin. The Project includes funding (US.\$490,000) for assisting the Development Committee in carrying out its overall Project Management functions including the preparation of an implementation plan, preparation of an integrated development plan, the purchase of

equipo de oficina, equipo de radio, y personal. Estos fondos se utilizarán también para cubrir los costos de las evaluaciones del Proyecto y estudios de base.

J. Asistencia Técnica

Un componente de asistencia técnica ha sido incluido para ayudar a cinco de los componentes básicos del Proyecto. Esta asistencia técnica financiada por el préstamo será contratada por el Gobierno del Perú. El siguiente Cuadro (I) especifica el tipo de asistencia técnica a ser financiada. Los Fondos del componente de asistencia técnica pueden ser utilizados para financiar el plan de desarrollo del Proyecto el cual será desarrollado por el Comité del Proyecto.

III. Plan Financiero del Proyecto.

El Cuadro II presenta un plan financiero por fuente de fondos para cada uno de los componentes del Proyecto. El Cuadro III muestra un cronograma de desembolsos basado en la implementación de metas planeadas. El plan financiero ha sido estructurado minimizando las contribuciones de contrapartida del Gobierno Peruano durante los dos primeros años del Proyecto. Comenzando con el tercer año de ejecución del Proyecto, las contribuciones por contrapartida del Gobierno del Perú aumentan rápidamente, principalmente para continuar el financiamiento de los programas del Proyecto en ejecución. En el quinto y último año, las contribuciones del Gobierno del Perú totalizarán US.\$6,500,000.

vehicles, office equipment, radio equipment, and personnel. These funds are also to be utilized in carrying out the Project evaluations and baseline studies.

J. Technical Assistance

A technical assistance component has been included to assist in five of the basic Project components. This loan-funded technical assistance will be contracted by the Government of Peru. The following Table (I) specifies the type of technical assistance to be financed. Funds in the technical assistance component may be used to finance the Project development plan which is to be developed by the Project Committee.

III. Project Financial Plan

Table II presents a summary financial plan by source for each of the project components. Table III develops a disbursement schedule based on planned implementation targets. The financial plan has been developed to minimize Government of Peru counterpart contributions during the first two years of the Project. Starting in the third Project year Government of Peru counterpart contributions increase rapidly, largely to finance the Project's on-going programs. By the fifth and final year, Government of Peru contributions total US.\$6,500,000.

CUADRO I
DESARROLLO DE LAS TIERRAS DE LA CEJA DE SELVA

Programa de Asistencia Técnica 1/
 (Miles de Dólares)

<u>Aplicación</u>	<u>FUENTES</u>		
	<u>A.I.D.</u>	<u>G.P.</u>	<u>Total</u>
1. <u>Parques de Maquinaria</u>			
1.1 Asesor Gerencial (3 años-hombre)	180		180
1.2 Especialista en Mantenimiento (3 años-hombre)	150		150
1.3 Ingeniero Agrícola (2 años-hombre)	105		105
1.4 Especialista en Conservación de Suelos (2.5 años-hombre)	125		125
1.5 Servicios de Ingeniería		30	30
	<u>Sub-total (1)</u>	<u>560</u>	<u>30</u>
		<u>590</u>	
2. <u>Centros de Recolección y Comercialización</u>			
2.1 Ingeniero Agrícola Especialista en Plantas de Manejo y Almacenamiento (1 año-hombre)	60		60
2.2 Especialista en Mantenimiento (2.5 años-hombre)	150		150
2.3 Servicios de Ingeniería		50	50
	<u>Sub-total (2)</u>	<u>210</u>	<u>50</u>
		<u>260</u>	
3. <u>Evaluación de Recursos</u>			
3.1 Especialista en Evaluación e Inventario de Recursos (3 años-hombre)	230		230
3.2 Servicios Profesionales		150	150
	<u>Sub-total (3)</u>	<u>230</u>	<u>150</u>
		<u>380</u>	
4. <u>Trabajos de Topografía y Titulación</u>			
4.1 Servicios Aero Fotográficos y Mapas		150	150
	<u>Sub-total (4)</u>	<u>150</u>	<u>150</u>
5. <u>Dirección del Proyecto</u>			
5.1 Especialista Gerencial (3.5 años-hombre)	190		190
Total (1) and (4)	1190	380	1570
Más: Inflación y Contingencias	176	78	254
Total General	1366	458	1824

1/ La porción del G.P. financia bien sea servicios por diseños de ingeniería o personal.

[Footnote in the original.]

CUADRO IIDESARROLLO DE LAS TIERRAS DE LA CEJA DE SELVACosto Estimado Sumario y Plan Financiero

(Miles de Dólares)

		F U E N T E S			TOTAL
		A.I.D.	PERU		
	Dólares	Soles	Soles		
1.	<u>Caminos de Penetración</u> (Diseño, Construcción y Supervisión)	7132	373	7505	
2.	<u>Mantenimiento de Caminos</u> (Equipo, Materiales y Personal)	1050	120	246	1416
3.	<u>Crédito Agropecuario</u> (Fondo, Equipo y Materiales)	230	3000	1500	4730
4.	<u>Parques de Maquinaria</u> (Construcción, Equipo y Personal)	3000	100	625	3725
5.	<u>Centros de Recolección y Comercialización</u> (Construcción, Equipo y Personal)	430	30	380	840
6.	<u>Trabajos de Topografía y Titulación</u> (Equipo, Materiales y Personal)	140	30	650	820
7.	<u>Servicios de Extensión</u> (Equipo, Materiales y Personal)	390	8	750	1148
8.	<u>Evaluación de Recursos</u> (Equipo y Materiales)	100		20	120
9.	<u>Dirección del Proyecto</u> (Equipo, Materiales, Evaluación y Personal)	20	90	380	490
10.	<u>Asistencia Técnica</u> (Parques de Maquinaria) (Centros de Recolección y Comercialización) (Trabajos de Topografía y Titulación) (Evaluación de Recursos)	660 300 — 200	30 50 150 150	690 350 150 380	
	Sub-Total	6520	10540	5304	22364
	Más: Factor de Inflación y Contingencias	974	966	1196	3136
		<u>7494</u>	<u>11506</u>	<u>6500</u>	<u>25500</u>

CUADRO IIIDESARROLLO DE LAS TIERRAS DE LA CEJA DE SELVA

	Desembolsos Anuales de la A.I.D. y del G.P. Para la Implementación del Proyecto 1/					Total A.I.D./G.P.
	I	II	III	IV	V	
1. Caminos de Penetración (Diseño, Construcción y Supervisión)	320 (320)	3250 (3250)	3740 (3410)	888 (800)	75 -	8273 (7780)
A.I.D. G.P.	-	-	(330)	(88)	(75)	(493)
2. Mantenimiento de Caminos (Equipo, Materiales y Personal)	-	600 (600)	794 (744)	100 (50)	130 -	1624 (1344)
A.I.D. G.P.	-	-	(50)	(100)	(130)	(280)
3. Crédito Agropecuario (Fondo, Equipo y Materiales)	-	850 (700)	1450 (1050)	2340 (1280)	770 (500)	5410 (3530)
A.I.D. G.P.	-	(150)	(400)	(1060)	(270)	(1880)
4. Parques de Maquinaria (Construcción, Equipo y Personal)	100 (100)	1600 (1412)	1050 (800)	1206 (1000)	314 (248)	4270 (3560)
A.I.D. G.P.	-	(188)	(250)	(206)	(66)	(710)
5. Centros de Recolección y Comercialización (Construcción, Equipo y Personal)	50 (50)	200 (100)	270 (150)	368 (238)	124 -	1012 (538)
A.I.D. G.P.	-	(100)	(120)	(130)	(124)	(474)
6. Trabajos de Topografía y Titulación (Equipo, Materiales y Personal)	40 (30)	220 (100)	309 (59)	300 -	139 -	1008 (189)
A.I.D. G.P.	(10)	(120)	(250)	(300)	(139)	(819)
7. Servicio de Extensión (Equipo, Materiales y Personal)	90 (40)	220 (100)	400 (200)	376 (116)	260 -	1346 (456)
A.I.D. G.P.	(50)	(120)	(260)	(260)	(260)	(890)

	I	II	III	IV	V	Total A.I.D./G.P.
8. <u>Evaluación de Recursos</u> (Equipo Y Materiales)	30 (10) (20)	80 (80) -	29 (29) -	- -	- -	139 (119) (20)
A.I.D. G.P.						
9. <u>Dirección del Proyecto</u> (Equipo, Materiales, Evaluación y Personal)	120 (78) (42)	120 (20) (100)	120 (20) (100)	100 -	134 (134)	594 (118) (476)
A.I.D. G.P.						
10. <u>Asistencia Técnica</u>	88 (30) (58)	500 (400) (100)	520 (420) (100)	530 (430) (100)	186 (86) (100)	1824 (1366) (458)
A.I.D. G.P.						
<u>Total</u>	<u>838</u>	<u>7640</u>	<u>8682</u>	<u>6208</u>	<u>2132</u>	<u>25500</u>
<u>Total A.I.D.</u>	<u>(658)</u>	<u>(6762)</u>	<u>(6882)</u>	<u>(3864)</u>	<u>(834)</u>	<u>(19000)</u>
<u>Total G.P.</u>	<u>(180)</u>	<u>(878)</u>	<u>(1800)</u>	<u>(2344)</u>	<u>(1298)</u>	<u>(6500)</u>

1/ Las reservas para inflación y contingencias han sido incluidas en cada categoría de inversión
[Footnote in the original.]

IV. Resultados, Metas del Proyecto

Los siguientes resultados se anticipan en el Proyecto:

1. La construcción de 97.3 kilómetros de nuevos caminos de penetración de tránsito permanente y el mejoramiento a niveles de caminos de tránsito permanente de 76.4 kilómetros de caminos ya existentes.

2. Una unidad completamente equipada para el mantenimiento de caminos en el área del Proyecto.

3. Un fondo para crédito en el Banco Agrario que provea fondos a través de sub-préstamos para desbrozo de terrenos y para capitalización a mediano plazo de las chacras.

4. Un centro principal de maquinaria de SENAMA y cuatro talleres de mantenimiento en el campo, ubicados en el área del Proyecto, completamente equipados y en trabajos de desbrozo de terrenos.

5. Una infraestructura de comercialización establecida por EPSA capaz de manejar los mayores volúmenes de producción en el área del Proyecto.

6. Un sistema de tenencia de la tierra normalizado con la emisión de aproximadamente 15,000 títulos de posesión verificados y en vigencia.

7. Un servicio de extensión capaz de equipar y mantener 70 agentes de extensión en el área del Proyecto.

8. Dos estudios sobre evaluación de recursos publicados por ONERN que permitan determinar áreas para una réplica futura del Proyecto.

IV. Project Outputs and Targets

The following outputs are anticipated under the Project:

1. The construction of 97.3 kilometers of new all weather penetration roads and the upgrading to an all weather basis of an additional 76.4 kilometers of improved roads.

2. A fully equipped road maintenance unit capable of maintaining project area roads.

3. A credit fund with the Agrarian Bank lending for land clearing and other medium-term on-farm capital improvements.

4. One main SENAMA machinery center and four field maintenance shops located throughout the Project area fully equipped and clearing land.

5. A marketing infrastructure established by EPSA capable of handling the Project area's increasing production.

6. A normalized land tenure system with approximately 15,000 verified possession documents in existence.

7. An extension service capable of maintaining and equipping 70 extension agents in the Project area.

8. Two additional resource studies published by ONERN for determining areas for future replication of the Project.

9. Un Comité de Desarrollo Regional que planifique, coordine y administre en forma efectiva los programas de desarrollo del Departamento de San Martín.

La terminación exitosa de los resultados del Proyecto, mencionados anteriormente, originará un aumento esperado de más de 100% de la producción agropecuaria en el área del Proyecto. Adicionalmente, la experiencia y la información recopilada en la implementación del Proyecto permitirá determinar si la metodología del Proyecto es adecuada para una repetición futura. Se espera que como consecuencia de los resultados mencionados anteriormente el propósito del Proyecto de aumentar la producción agropecuaria se haya alcanzado.

9. A Regional Development Committee effectively planning, coordinating, and administering the Department of San Martin's development programs.

Successful completion of the above Project outputs will result in an expected increase of more than 100% in the Project area's agricultural output. Additionally the experience and data which result from the Project's implementation will determine whether or not the Project's methodology is adequate for future replication. It is expected that as a result of the above listed outputs the Project's purpose of increased agricultural production will be accomplished.

INDONESIA
Family Planning

*Agreement signed at Jakarta July 13, 1978;
Entered into force July 13, 1978.*

A.I.D. LOAN NO. 497-Q-053

PROJECT NO. 497-0271

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

AND THE

UNITED STATES OF AMERICA

FOR

FAMILY PLANNING ORAL CONTRACEPTIVES

Dated: July 13, 1978

Table of ContentsProject Loan Agreement

	<u>Page</u>	<i>[Pages herein]</i>
Article 1: The Agreement	1	3343
Article 2: The Project	1	3343
SECTION 2.1 Definition of Project	1	3343
Article 3: Financing	2	3344
SECTION 3.1 The Loan	2	3344
SECTION 3.2 Borrower Resources for the Project	2	3344
SECTION 3.3 Project Assistance Completion Date	2	3344
Article 4: Loan Terms	3	3345
SECTION 4.1 Interest	3	3345
SECTION 4.2 Repayment	4	3346
SECTION 4.3 Application, Currency, and Place of Payment	4	3346
SECTION 4.4 Prepayment	4	3346
SECTION 4.5 Renegotiation of Terms	5	3347
SECTION 4.6 Termination on Full Payment	6	3348
Article 5: Conditions Precedent to Disbursement	6	3348
SECTION 5.1 First Disbursement	6	3348
SECTION 5.2 Notification	6	3348
SECTION 5.3 Terminal Dates for Conditions Precedent	7	3349
Article 6: Special Covenants	7	3349
SECTION 6.1 Project Evaluation	7	3349
Article 7: Procurement Source	7	3349
SECTION 7.1 Foreign Exchange Costs	7	3349

	[Pages herein]
Article 8: Disbursements	8 3350
SECTION 8.1 Disbursements for Foreign Exchange Costs	8 3350
SECTION 8.2 Other Forms of Disbursement	9 3351
SECTION 8.3 Date of Disbursement	9 3351
Article 9: Miscellaneous	9 3351
SECTION 9.1 Communications	9 3351
SECTION 9.2 Representatives	10 3352
SECTION 9.3 Standard Provisions Annex	10 3352

Annex 1 - Amplified Description of the Project

Annex 2 - Standard Provisions Annex [¹]

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

PROJECT LOAN AGREEMENT

Dated July 13, 1978

Between THE REPUBLIC OF INDONESIA ("Borrower")
And THE UNITED STATES OF AMERICA, acting through the
Agency for International Development ("A.I.D.")

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assisting the Borrower in financing the United States Dollar costs of commodities and related services for the Family Planning Program in Indonesia. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, [¹] agrees to lend the Borrower under the terms of this Agreement not to exceed Seven Million United States ("U.S.") Dollars (\$7,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal." The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. \$33,100,000, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" ("PACD"), which is July 13, 1981, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

¹ 75 Stat. 424; 22 U.S.C. § 2151 note.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.3) of each respec-

tive disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within thirty (30) years from the date of the first disbursement of the Loan in forty-one (41) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payment will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees

in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representative of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Department of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of the Minister of Justice of the Borrower that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(c) A schedule for the evaluation program referred to in Section 6.1.

SECTION 5.2. Notification. When A.I.D. has determined that the Conditions Precedent specified in Section 5.1 have been met, it will promptly notify the Borrower.

SECTION 5.3. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within ninety (90) days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 7: Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

Article 8: Disbursement

SECTION 8.1. Disbursement for Foreign Exchange Costs

(a) After satisfaction of Conditions Precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.3. Date of Disbursement. Disbursement by A.I.D. will be deemed to occur on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order.

Article 9: Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Borrower:

Mail Address: Departemen Luar Negeri
Jalan Pejambon No. 6
Jakarta Pusat, Indonesia

Alternate address for telegrams: DEPLU Jakarta

To A.I.D.:

Mail Address: United States Agency for International Development
American Embassy
Jakarta, Indonesia

TIAS 9394

Alternate address for telegrams: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the Office of Chairman or Vice Chairman, National Development Planning Agency (BAPPENAS), and A.I.D. will be represented by the individual holding or acting in the Office of Director, USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

^[1] See footnote 1, p. 3342.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: Mochtar Kusumaatmadja
Prof. Dr. Mochtar Kusumaatmadja
Minister for Foreign Affairs

UNITED STATES OF AMERICA

By: Edward E. Masters
Edward E. Masters
Ambassador

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

Purpose

The purpose of the Project is to finance Calendar Year (CY) 1979 importation of approximately 39 million cycles of oral contraceptives (OCs) to be used in the National Family Planning Program.

Program Description

The term "Program" refers to the Indonesian five-year (1979-1983) comprehensive family planning program which includes assistance from A.I.D. through:

(a) Project 497-0270, Family Planning Development and Services, to provide up to \$25 million in grants to assist the Indonesian National Family Planning Coordinating Board (BKKBN) in five interrelated areas: program development and evaluation; family planning services; voluntary surgical contraception; training; and population policy studies; and

(b) Project 497-0271, Oral Contraceptives, to provide loans totalling up to \$40 million over a five-year period to finance importation of OCs.

Project Description

The term "Project" is used in this Loan Agreement to refer to the OCs being financed for CY 1979 by this loan and the Borrower. It is anticipated that A.I.D. and the Borrower will enter into loan agreements in subsequent years to finance future OC requirements as described below.

It is currently estimated that the total OC delivery requirement CY 1979 through CY 1983 is approximately 254,403,000 cycles. Through either importation of raw materials and local production, importation of finished cycles, or local procurement of finished cycles, the Borrower plans to supply between 60 million cycles and 135 million cycles of OCs during this five year period. To fill the balance of the OC delivery requirements, A.I.D. plans to finance CY 1979-83 importation of 122,067,000 to 194,403,000 cycles of finished OCs.

In order to safeguard the program, the higher figure of 194 million cycles of A.I.D. inputs is being used for long-range planning. However, each year OC forecasts will be revised and actual annual obligations will be adjusted in accordance with these forecasts. The annual loan agreements will be limited to finished cycles of OCs to be procured through the A.I.D. central OC procurement procedures.

The funds needed to provide the required number of OCs from CY 1979 through CY 1983 total \$62.8 million. Of this amount, the maximum A.I.D. inputs and minimum Borrower inputs have been planned as follows:

CY	REQUIRED TOTAL Cycles(000s)		MAXIMUM A.I.D. INPUTS		MINIMUM BORROWER INPUTS	
	Cycles(000s)	\$ (000)	Cycles(000s)	\$ (000)	Cycles(000s)	\$ (000)
1979	42,824	38,824	7,000	4,000	721	
1980	44,288	36,288	7,000	8,000	1,543	
1981	50,760	38,760	8,000	12,000	2,477	
1982	56,761	40,761	9,000	16,000	3,533	
1983	59,770	39,770	9,000	20,000	4,526	
TOTALS	254,403	194,403	40,000	60,000	12,800	

The actual apportionment of financial inputs likely will fall somewhere between the maximum A.I.D. and minimum Borrower levels. However, it is understood that the Borrower inputs, as detailed above, represent the minimal level of Borrower financing of OCs necessary for successful project implementation.

Management and Implementation

A.I.D. direct hire population staff in Jakarta will work with the BKKB/N and BAPPENAS to facilitate the Borrower OC inputs and OC usage prevalence. Based on these factors, USAID and BKKB/N will make annual estimates of OC requirements. These estimates will form the basis of annual loan agreements which A.I.D. will

execute with the Borrower. It is expected that BAPPENAS will authorize at least two BKKBN officials to work with A.I.D. in loan implementation. It is further expected that BKKBN will authorize and request A.I.D. procurement of the finished OCs. A.I.D. will prepare a PIO/C co-signed by BKKBN to request that the loan financed procurement be integrated with A.I.D. central OC procurement affected at least annually through the U.S. General Services Administration.

Duration

Under this initial loan agreement, A.I.D. will finance only CY 1979 importation of OCs. Subsequent annual loan agreements will provide continued project assistance for CY 1980-83.

Financing

The Project will provide up to U.S. \$7,000,000 in loan funds for procurement of OCs to be imported during CY 1979. During the period of the Project, it is expected that the Borrower will provide U.S. \$33,100,000, including "in-kind" costs, in support of Project and Program Implementation.

UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND
Express Mail Service

*Agreement, with detailed regulations, signed at London and Washington November 6 and December 14, 1978,
Approved and ratified by the President of the United States of America February 12, 1979;
Entered into force February 12, 1979,
Effective January 1, 1979*

INTERNATIONAL EXPRESS MAIL AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL ADMINISTRATION OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND

Preamble

The undersigned, by virtue of the authority vested in them, have concluded the following Agreement.

Article 1 Purpose of the Agreement

This Agreement shall govern the exchange of International Express Mail between the United States and the United Kingdom of Great Britain and Northern Ireland, including any areas for which the postal administrations of these countries exercise International Express Mail responsibilities.

Article 2. Definitions

As used herein the following terms shall have the indicated meanings:

1. Administration - an abbreviated form used to refer to one of the postal administrations of the countries signatory to this Agreement,

2. Articles and sections - articles and sections of this Agreement, except when the context indicates an article which is or can be inserted into an item;

3. Convention - the Universal Postal Convention^[1] adopted by the Congress of the Universal Postal Union from time to time and adopted by the countries signatory to this Agreement,

4. Detailed Regulations of the Convention - the Detailed Regulations of the Universal Postal Convention enacted by the Congress of the Universal Postal Union from time to time and adopted by the countries signatory to this Agreement,

^[1] TIAS 5881, 7150, 8231, 16 UST 1291, 22 UST 1056, 27 UST 345.

5. International Express Mail service - the service established by this Agreement, the domestic counterparts of which are Express Mail Service in the United States and Datapost Service in the United Kingdom;

6. On-demand service - an International Express Mail service option which allows a sender to mail an item without any requirements for scheduling or prior designation of addressee;

7. References to the regulations of either administration or to the internal legislation of either country are to the general regulations or legislation governing the matter in question which are applicable regardless of the country of origin,

8. Scheduled service - an International Express Mail service option which allows a sender to enter into a contractual arrangement to mail items on a designated schedule to designated addressees.

Article 3. Scheduled service

1. Each administration shall offer scheduled service on a contractual basis to customers who agree to use the service on a designated schedule to send items to designated addressees.

2. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which scheduled service is

available, based upon the time schedules of the international flights used to carry scheduled items.

3. For each scheduled service contract, the administration of origin shall provide the administration of destination with the following information at least ten days prior to commencing service pursuant to such contract

- (i) the identification number of the customer contract, which number shall be indicated on each item sent,
- (ii) the name and address of the designated addressee;
- (iii) the days of the week designated by the customer as scheduled dispatch days,
- (iv) the time of day delivery is requested, and
- (v) the airline and flight number to be used

Article 4. On-demand service

1. Each administration shall offer on-demand service which shall be available to customers on a non-scheduled basis.

2. Each administration shall provide the other administration with a list of the cities and other locations to which on-demand service is available

3. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which on-demand service is available, based upon the time schedules of the international flights used to carry on-demand items.

4. Each administration shall inform the other administration of all identification marks or numbers which it uses for each on-demand item.

5. The administration of origin is not required to provide the administration of destination with notice prior to sending an on-demand item.

Article 5. Charges to be collected from the sender

Each administration shall fix the charges to be collected from senders for sending items in the service.

Article 6. Charges and fees to be collected from the addressee

Each administration shall be authorized to collect from the addressee the customs duty and other applicable non-postal fees, if any, payable on each item it delivers and a charge for the collection of such fees.

Article 7 Conditions of acceptance

Provided that the contents do not come within the prohibitions listed in article 8, each item to be admitted into the International Express Mail service shall

(a) be packed in a manner adapted to the nature of the contents and the conditions of transport,

(b) bear the name and address of the addressee and of the sender, and

(c) satisfy the conditions of weight and size fixed by article 9

Article 8. Prohibitions

1 The provisions of the Convention governing prohibitions shall be applicable to the insertion of articles in International Express Mail items.

2. Each administration shall communicate to the other the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing entry of postal items in its service.

Article 9. Limits of size and weight

1 An item of International Express Mail (a) shall not exceed 900 millimeters for any one dimension nor 2 meters for the sum of the length and the greatest circumference measured in a direction other than that of the length, and (b) shall not exceed 15 kilograms in weight.

2. The administrations may agree by exchange of correspondence to change the size and weight limits established in section 1; however, the maximum weight limit shall in no event be increased in excess of 20 kilograms.

Article 10. Treatment of items wrongly accepted

1 When an item containing an article prohibited under article 8 has been wrongly admitted to the post, the prohibited article shall be dealt with according to the legislation of the country of the administration establishing its presence.

2. When the weight or the dimensions of an item exceed the limits established under article 9, it shall be returned to the administration of origin if the regulations of the administration of destination do not permit delivery

3. When a wrongly admitted item is neither delivered to the addressee nor returned to origin, the administration of origin shall be informed how the item has been dealt with and of the restriction or prohibition which required such treatment.

Article 11. General rules for delivery and customs clearance

1. Each administration shall, in accordance with its regulations for the type of service used, make every effort to effect delivery of each item of International Express Mail by the fastest means available

2. Each administration shall make every effort to expedite the customs clearance of International Express Mail items.

Article 12. Undeliverable items

1. After every reasonable effort to deliver an item has proved unsuccessful, the item shall be held at the disposal of the addressee for the period of retention provided by the regulations of the administration of destination.

2. An item refused by the addressee shall be returned immediately to the administration of origin.

3. Each undeliverable item shall be returned to the administration of origin through the International Express Mail service.

4. Neither administration shall charge the other for the return of undeliverable items.

Article 13. Items arriving out of course and to be redirected

1. Each item arriving out of course shall be redirected to its proper destination by the most direct route used by the administration which has received the item.

2. Neither administration shall charge the other for the redirection of items arriving out of course

Article 14. Inquiries

1. Each administration shall answer in the shortest possible time, not to exceed one month, inquiries relating to any International Express Mail item posted by the other administration.

2. Inquiries shall be accepted only within a period of four months from the day after that on which the item was posted

3. This article does not authorize routine requests for confirmation of delivery

Article 15 Allocation of surface costs for traffic imbalances

1. At the end of each year of this Agreement, the administration which has received a larger quantity of International Express Mail than it has sent during that year shall have the right to collect from the other administration, as compensation, an imbalance charge for the surface handling and delivery costs it has incurred for each additional item received

2. Each administration shall establish an imbalance charge per item which shall correspond to the costs of services.

3. Modifications of the imbalance charge may be made as follows

a. Each administration may increase its imbalance charge when such an increase is necessary due to an increase in the costs of services.

b. To be applicable, any such modification of the imbalance charge must.

(1) be communicated to the other administration at least three months in advance;

(2) remain in force for at least one year

4. No imbalance charge shall be collected if the difference in the number of items exchanged is less than one thousand

Article 16. Internal air conveyance dues

Each administration which provides air conveyance of items within its country shall be entitled to reimbursement of internal air conveyance dues at rates established in the provisions of the Convention which govern internal air conveyance dues.

Article 17 Onward air conveyance

1. The administrations may agree, by exchange of correspondence, to provide onward air conveyance services under the terms of this article.

2. Each administration shall, upon agreement under section 1 of this article, provide onward air conveyance service to or from any country with which it exchanges International Express Mail items, for items addressed to or originating in the other administration and shall provide approximate onward air conveyance times.

3. For each item forwarded pursuant to this article, the administration providing onward air conveyance services shall be authorized to collect from the other administration the onward air conveyance rates applicable to airmail under the Convention.

Article 18. No additional rates, charges, or fees

The administrations may collect only the rates, charges, and fees established under this Agreement.

Article 19. Application of the Convention

The Convention or its Detailed Regulations shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement or its Detailed Regulations.

TIAS 9395

Article 20. Temporary suspension of service

1 Should extraordinary circumstances justify it, either administration may suspend temporarily its operation of the service

2. Notice of such suspension shall be given immediately to the other administration.

Article 21 Detailed Regulations

1 Details of implementation of this Agreement shall be governed by its Detailed Regulations.

2. The provisions of the Detailed Regulations may be amended, not inconsistently with this Agreement, by mutual consent by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 22. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Agreement which cannot be resolved by the administrations to their mutual satisfaction, shall be settled by arbitration, following the arbitration procedures of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration. The arbitrators shall be chosen from the administrations which provide a service analogous to International Express Mail service

Article 23. Additional rules and regulations

Each administration is authorized to adopt implementing rules and regulations for its internal operation of the service not inconsistent with this Agreement or its Detailed Regulations.

Article 24. Prior agreements superseded

This Agreement abrogates and supersedes the International Express Mail Agreement between the Postal Administration of the United Kingdom of Great Britain and Northern Ireland and the United States Postal Service which came into force on July 1, 1976,^[1] and all other agreements and understandings with respect to International Express Mail between the administrations.

Article 25. Entry into force and duration of the Agreement.

1. This Agreement shall enter into force on the date mutually agreed upon by the administrations, after it is signed by the authorized representatives of both administrations.^[2]

2. This Agreement shall expire twelve months after either administration notifies the other in writing of termination.

¹ TIAS 8797, 29 UST 98.
Feb. 12, 1979.

Done in duplicate and signed at Washington, D C., on
the 14th day of December, 1978, and at London
on the 6th day of November, 1978

FOR THE UNITED STATES OF AMERICA.



H. Edgar S. Stock [1]
Director, International Postal Affairs

FOR THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND



L. H. Kingsbury [2]
Head of the International Postal Service

¹ H. Edgar S. Stock.

² L. H. Kingsbury

DETAILED REGULATIONS OF THE INTERNATIONAL
EXPRESS MAIL AGREEMENT

BETWEEN

THE UNITED STATES POSTAL SERVICE

AND

THE POSTAL ADMINISTRATION OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND

The undersigned, by virtue of the authority vested in them, have drawn up the following Detailed Regulations for implementation of the International Express Mail Agreement between the United States Postal Service and the Postal Administration of the United Kingdom of Great Britain and Northern Ireland.

Article 101 Information to be supplied by the administrations

1. Each administration shall notify the other administration of

(a) the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing the entry of International

Express Mail items in the territory of its country and other areas for which it has International Express Mail responsibility;

(b) the provisions of its laws or regulations applicable to the conveyance of International Express Mail items,

(c) the rates and dues established under the Agreement, and,

(d) the forms, labels, and other documentation which it requires in the service.

2. Any change of the information mentioned in section 1 shall be communicated in writing immediately to the other administration.

Article 102 Address of the sender and of the addressee

To be admitted for mailing, each item of International Express Mail shall bear, in roman letters and arabic figures on the item

itself or on a label firmly attached to it, the names and complete addresses of the sender and of the addressee.

Article 103 Items containing merchandise

1. Each item containing merchandise or any other article subject to customs duty shall be accompanied by a customs declaration on Universal Postal Union form C2/CP3 or a similar form. The customs declaration shall be securely attached to each such item.

2. The contents of each such item shall be shown in detail on the customs declaration.

3. Although the administrations assume no responsibility for the accuracy of customs declarations, they shall inform senders of the correct way to complete these declarations.

4. The aggregate value of merchandise or other dutiable articles inserted into an item for delivery in the United States may not exceed \$250.

Article 104 Packing requirements

1. Each item shall be packed and closed in a manner befitting the weight, the shape, and the nature of the contents as well as the mode and duration of conveyance

2. Each item shall be packed and closed so as not to present any danger if it contains articles of a kind likely to injure officials called upon to handle it or to soil or damage other mail or postal equipment.

3. Each item shall have, on its packing or wrapping, sufficient space for service instructions and for affixing labels.

4. Each item which requires special packing shall be made up in accordance with the packing provisions in the Detailed Regulations of the Convention.

Article 105. General make-up of mails

1. International Express Mail dispatches shall be made up in closed mails, and shall be accompanied by the air mail delivery bill and manifest forms required by these regulations.

2. The items in each dispatch shall be enclosed in blue and orange International Express Mail bags.

3. Items containing merchandise or other dutiable articles shall be placed in separate bags from non-dutiable items, and shall be dispatched separately accompanied by a separate manifest.

4. Each bag shall bear a label, showing the blue and orange chevron which has been adopted as the International Express Mail identification symbol. Each bag label shall clearly indicate

- a. the exchange office of destination, and
- b. whether the bag contains merchandise or other dutiable items.

Article 106. Manifests

1. An International Express Mail manifest, on a form acceptable to each administration, shall accompany each dispatch.

2. Each item sent through the scheduled service shall be listed separately on the manifest. If no items are sent under a scheduled service contract, the contract number and the fact that no items were sent shall be entered on the manifest.

3. The total number of on-demand items in a dispatch shall be entered collectively as a single manifest entry

4. The manifest shall clearly indicate that the dispatch contains International Express Mail items.

Article 107 Air mail delivery bills

1 An air mail delivery bill, on Universal Postal Union form AV 7, shall accompany each dispatch.

2. The air mail delivery bill shall be marked so as to indicate clearly that the dispatch contains International Express Mail

Article 108 Exchange offices

1 The exchange of dispatches of International Express Mail shall be carried out by the designated exchange offices of each administration.

2. Each administration shall designate its International Express Mail exchange offices to be used in the service and inform the other administration of the location of each such exchange office.

3. Each administration shall give the other administration advance notice of redesignation of or addition to its exchange offices.

Article 109 Check of International Express Mail

1. Upon receipt of an International Express Mail dispatch, the administration of destination shall check the dispatch to confirm its conformity with the air mail delivery bill

2. The contents of each dispatch shall be checked as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the manifest

Article 110. Notification of irregularities

1 Any evidence of missing or damaged bags or items shall be reported to the administration of origin by telex and confirmed in writing

2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

Article 111 Redirection of items arriving out of course

The redirecting administration shall notify the administration of origin, by telex or telephone, of the details concerning the arrival and redirection of each item or bag arriving out of course.

Article 112. Return of items to origin

Each administration which returns an item for any reason whatsoever shall give, either written by hand or by means of a stamped impression or a label on the item and on the manifest which accompanies it, the reason for non-delivery

Article 113. Accounting, settlement of accounts

1. The procedures for accounting and for the settlement of accounts for internal air conveyance shall be governed by the provisions covering accounting for air mail in the Detailed Regulations of the Convention.

2. The procedures for accounting and settlement of accounts for allocation of surface costs for traffic imbalances shall be as follows

(a) The settlement shall take place annually. The annual period shall begin on the date agreed upon under the provisions of Article 25 of the Agreement.

(b) Each administration shall prepare quarterly a statement of items received on a mutually acceptable form which indicates the number of items received in each dispatch based upon the particulars of the International Express Mail manifests. These forms shall be forwarded to the Administration of origin within two months from the end of the quarter.

(c) After verifying the statement of items received, the origin administration shall advise the destination administration by correspondence of its acceptance. If the verification reveals any discrepancy,

cies, a corrected statement shall be returned to the destination administration duly amended and accepted. If the destination administration disputes the amendments, it shall confirm the actual data by sending photocopies of relevant International Express Mail manifests and notices of irregularities to the administration of origin. If the destination administration has received no notice of amendment within two months from the date of forwarding the quarterly statement of items received, the account shall be regarded as fully accepted

(d) After each administration has accepted the statement of items received prepared by the other, the creditor administration shall prepare annually a detailed account and statement of charges on a mutually acceptable form which indicates the total number of items received and dispatched, the imbalance, the imbalance charge per item, and the total amount due

(e) Accounts shall be closed within 6 months after the last day of the settlement period

Article 114. Definitions

The definitions set forth in article 2 of the Agreement shall be applicable to these Detailed Regulations.

Article 115. Period of retention of documents

1. Documents of the service shall be kept for a minimum period of eighteen months from the day following the date to which they refer

2. A document concerning a dispute or an inquiry shall be kept until the matter has been settled. If the inquiring administration, duly informed of the result of an inquiry, allows six months to elapse from the date of the communication without raising any objections, the matter shall be regarded as settled.

Article 116. Alterations or amendments

These Detailed Regulations may be altered or amended, not inconsistently with the Agreement, by mutual consent of the administrations by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 117 Entry into force and duration of these Detailed Regulations

1. These Detailed Regulations shall come into force on the same date as the International Express Mail Agreement to which they refer.

2. These Detailed Regulations, and any amendments hereto pursuant to article 116, shall have the same duration as the International Express Mail Agreement to which they refer.

Done in duplicate and signed at Washington, D C , on
the 14th day of December , 1978, and at London
on the 6th day of November , 1978

FOR THE UNITED STATES OF AMERICA:



James J. Hahn
Director, International Postal Affairs

FOR THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND

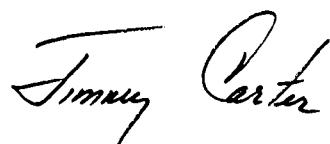


Sir Kingsley
Head of the International Postal Service

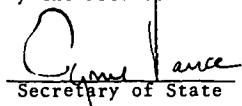
The foregoing Agreement between the United States and Great Britain and Northern Ireland for the exchange of International Express Mail items and the Detailed Regulations of the Agreement have been negotiated and concluded with my advice and consent and are hereby approved and ratified.

In testimony whereof I have caused the seal of the United States to be hereunto affixed.

[SEAL]



By the President



Cyrus Vance
Secretary of State

Washington, February 12, 1979

SINGAPORE

Express Mail Service

*Agreement, with detailed regulations, signed at Singapore and
Washington January 5 and 10, 1979;
Approved and ratified by the President of the United States of
America February 9, 1979;
Entered into force February 9, 1979;
Effective January 1, 1979.*

(3383)

TIAS 9396

INTERNATIONAL EXPRESS MAIL AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL SERVICES DEPARTMENT OF THE REPUBLIC OF SINGAPORE

Preamble

The undersigned, by virtue of the authority vested in them, have concluded the following Agreement.

Article 1. Purpose of the Agreement

This Agreement shall govern the exchange of International Express Mail between the United States of America and the Republic of Singapore, including any areas for which the postal administrations of these countries exercise International Express Mail responsibilities.

Article 2. Definitions

As used herein the following terms shall have the indicated meanings:

1. Administration - an abbreviated form used to refer to one of the postal administrations of the countries signatory to this Agreement;
2. Articles and sections - articles and sections of this Agreement, except when the context indicates an article which is or can be inserted into an item;
3. Convention - the Universal Postal Convention^[1] adopted by the Congress of the Universal Postal Union from time to time and adopted by the countries signatory to this Agreement;
4. Detailed Regulations of the Convention - the Detailed Regulations of the Universal Postal Convention enacted by the Congress of the Universal Postal Union from time to time and adopted by the countries signatory to this Agreement;

^[1]TIAS 5881, 7150, 8231; 16 UST 1291; 22 UST 1056; 27 UST 345.

5. International Express Mail Service - the service established by this Agreement, the domestic counterparts of which are Express Mail Service in the United States of America and Speed-post in the Republic of Singapore;
6. On-demand service - an International Express Mail service option which allows a sender to mail an item without any requirements for scheduling or prior designation of addressee;
7. References to the regulations of either administration or to the internal legislation of either country are to the general regulations or legislation governing the matter in question which are applicable regardless of the country of origin;
8. Scheduled service - an International Express Mail Service option which allows a sender to enter into a contractual arrangement to mail items on a designated schedule to designated addressees.

Article 3. Scheduled service

1. Each administration shall offer scheduled service on a contractual basis to customers who agree to use the service on a designated schedule to send items to designated addressees.
2. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which scheduled service is available, based upon the time schedules of the international flights used to carry scheduled items.

3. For each scheduled service contract, the administration of origin shall provide the administration of destination with the following information at least ten days prior to commencing service pursuant to such contract:
 - (a) the identification number of the customer contract, which number shall be indicated on each item sent;
 - (b) the name and address of the designated addressee;
 - (c) the days of the week designated by the customer as scheduled dispatch days;
 - (d) the time of day delivery is requested; and
 - (e) the airline and flight number to be used.

Article 4 On-demand service

1. Each administration shall offer on-demand service which shall be available to customers on a non-scheduled basis.
2. Each administration shall provide the other administration with a list of the cities and other locations to which on-demand service is available.
3. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which on-demand service is available, based upon the time schedules of the international flights used to carry on-demand items.

4. Each administration shall inform the other administration of all identification marks or numbers which it uses for each on-demand item.

5. The administration of origin is not required to provide the administration of destination with notice prior to sending an on-demand item.

Article 5. Charges to be collected from the sender

Each administration shall fix the charges to be collected from senders for sending items in the service.

Article 6. Charges and fees to be collected from the addressees

Each administration shall be authorized to collect from the addressee the customs duty and other applicable non-postal fees, if any, payable on each item it delivers and a charge for the collection of such fees.

Article 7. Conditions of acceptance

Provided that the contents do not come within the prohibitions listed in article 8, each item to be admitted into the International Express Mail service shall:

- (a) be packed in a manner adapted to the nature of the contents and the conditions of transport;
- (b) bear the name and address of the addressee and of the sender; and
- (c) satisfy the conditions of weight and size fixed by article 9.

Article 8. Prohibitions

1. The provisions of the Convention governing prohibitions shall be applicable to the insertion of articles in International Express Mail items.

2. Each administration shall communicate to the other the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing entry of postal items in its service.

Article 9. Limits of size and weight

1. An item of International Express Mail:

- (a) shall not exceed 900 millimeters for any one dimension or 2 meters for the sum of the length and the greatest circumference measured in a direction other than that of the length; and
- (b) shall not exceed 15 kilograms in weight.

2. The administrations may agree by exchange of correspondence to change the size and weight limits established in section 1; however, the maximum weight limit shall in no event be increased in excess of 20 kilograms.

Article 10. Treatment of items wrongly accepted

1. When an item containing an article prohibited under article 8 has been wrongly admitted to the post, the prohibited article shall be dealt with according to the legislation of the country of the administration establishing its presence.

2. When the weight or the dimensions of an item exceed the limits established under article 9, it shall be returned to the administration of origin if the regulations of the administration of destination do not permit delivery.

3. When a wrongly admitted item is neither delivered to the addressee nor returned to origin, the administration of origin shall be informed how the item has been dealt with and of the restriction or prohibition which required such treatment.

Article 11. General rules for delivery and customs clearance

1. Each administration shall in accordance with its regulations for the type of service used, make every effort to effect delivery of each item of International Express Mail by the fastest means available.

2. Each administration shall make every effort to expedite the customs clearance of International Express Mail items.

Article 12. Undeliverable items

1. After every reasonable effort to deliver an item has proved unsuccessful, the item shall be held at the disposal of the addressee for the period of retention provided by the regulations of the administration of destination.

2. An item refused by the addressee shall be returned immediately to the administration of origin.

3. Each undeliverable item shall be returned to the administration of origin through the International Express Mail service.

4. Neither administration shall charge the other for the return of undeliverable items.

Article 13. Items arriving out of course and to be redirected

1. Each item arriving out of course shall be redirected to its proper destination by the the most direct route used by the administration which has received the item.

2. Neither administration shall charge the other for the redirection of items arriving out of course.

Article 14. Inquiries

1. Each administration shall answer in the shortest possible time, not to exceed one month, inquiries relating to any International Express Mail item posted by the other administration.

2. Inquiries shall be accepted only within a period of four months from the day after that on which the item was posted.

3. This article does not authorize routine requests for confirmation of delivery.

Article 15. Allocation of surface costs for traffic imbalances

1. At the end of each year of this Agreement, the administration which has received a larger quantity of International Express Mail than it has sent during that year shall have the right to collect from the other administration, as compensation, an imbalance charge for the surface handling and delivery costs it has incurred for each additional item received.

2. Each administration shall establish an imbalance charge per item which shall correspond to the costs of services.

3. Modifications of the imbalance charge may be made as follows:

- (a) each administration may increase its imbalance charge when such an increase is necessary due to an increase in the cost of services;
- (b) to be applicable, any such modification of the imbalance charge must;
 - (i) be communicated to the other administration at least three months in advance;
 - (ii) remain in force for at least one year.

4. No imbalance charge shall be collected if the difference in the number of items exchanged is less than one thousand.

Article 16. Internal air conveyance dues

Each administration which provides air conveyance of items within its country shall be entitled to reimbursement of internal air conveyance dues at rates established in the provisions of the Convention which govern internal air conveyance dues.

Article 17. Onward air conveyance

- 1. The administrations may agree, by exchange of correspondence, to provide onward air conveyance services under the terms of this article.
- 2. Each administration shall, upon agreement under section 1 of this article, provide onward air conveyance service to or

from any country with which it exchanges International Express Mail items, for items addressed to or originating in the other administration and shall provide approximate onward air conveyance times.

3. For each item forwarded pursuant to this article, the administration providing onward air conveyance services shall be authorized to collect from the other administration the onward air conveyance rates applicable to airmail under the Convention.

Article 18. No additional rates, charges or fees

The administrations may collect only the rates, charges and fees established under this Agreement.

Article 19. Application of the Convention

The Convention or its Detailed Regulations shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement or its Detailed Regulations.

Article 20. Temporary suspension of service

1. Should extraordinary circumstances justify it, either administration may suspend temporarily its operation of the service.

2. Notice of such suspension shall be given immediately to the other administration.

Article 21. Detailed Regulations

1. Details of implementation of this Agreement shall be governed by its Detailed Regulations.

2. The provisions of the Detailed Regulations may be amended, not inconsistently with this Agreement, by mutual consent by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 22. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Agreement which cannot be resolved by the administrations to their mutual satisfaction, shall be settled by arbitration, following the arbitration procedures of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration. The arbitrators shall be chosen from the administrations which provide a service analogous to International Express Mail service.

Article 23. Additional rules and regulations

Each administration is authorized to adopt implementing rules and regulations for its internal operation of the service not inconsistent with this Agreement or the Detailed Regulations.

Article 24. Entry into force and duration of the Agreement

1. This Agreement shall enter into force on the date mutually agreed upon by the administrations, after it is signed by the authorized representatives of both administrations.^[1]

2. This Agreement shall expire twelve months after either administration notifies the other in writing of termination.

^[1] Feb. 9, 1979.

Done in duplicate and signed at Washington, D. C. on the 10th
day of January, 1979, and at Singapore on the 5th day
of January, 19 79.

FOR THE UNITED STATES OF AMERICA:



H. Edgar S. Stock [1]
Director, International Postal Affairs

FOR THE REPUBLIC OF SINGAPORE:



Wong Lee Hoong [2]
Postmaster General

¹ H. Edgar S. Stock.

² Wong Lee Hoong.

DETAILED REGULATIONS OF THE INTERNATIONAL
EXPRESS MAIL AGREEMENT

BETWEEN

THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL SERVICES DEPARTMENT OF THE REPUBLIC OF SINGAPORE

The undersigned, by virtue of the authority vested in them, have drawn up the following Detailed Regulations for implementation of the International Express Mail Agreement between the United States Postal Service and the Postal Services Department of the Republic of Singapore.

Article 101. Information to be supplied by the administrations

1. Each administration shall notify the other administration of:

- (a) the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing the entry of International Express Mail items in its country and other areas for which it has International Express Mail responsibility;
- (b) the provisions of its laws or regulations applicable to the conveyance of International Express Mail items;
- (c) the rates and dues established under the Agreement;
- (d) the forms, labels and other documentation which it requires in the service.

2. Any change of the information mentioned in section 1 shall be communicated in writing immediately to the other administration.

Article 102. Address of the sender and of the addressee

To be admitted for mailing, each item of International Express Mail shall bear, in roman letters and arabic figures on the item itself or on a label firmly attached to it, the names and complete addresses of the sender and of the addressee.

Article 103. Items containing merchandise

1. Each item containing merchandise or any other article subject to customs duty shall be accompanied by a customs declaration on Universal Postal Union Form C2/CP3 or a similar form. The customs declaration shall be securely attached to each such item.

2. The contents of each such items shall be shown in detail on the customs declaration.

3. Although the administrations assume no responsibility for the accuracy of customs declarations, they shall inform senders of the correct way to complete these declarations.

4. The aggregate value of all items a sender may send to the United States of America in one day for the same addressee shall not exceed two hundred and fifty dollars.

Article 104. Packing requirements

1. Each item shall be packed and closed in a manner befitting the weight, the shape and the nature of the contents, as well as the mode and duration of conveyance.

2. Each item shall be packed and closed so as not to present any danger if it contains articles of a kind likely to injure officials called upon to handle it or to soil or damage other mail or postal equipment.

3. Each item shall have, on its packing or wrapping, sufficient space for service instructions and for affixing labels.

4. Each item which requires special packing shall be made up in accordance with the packing provisions in the Detailed Regulations of the Convention.

Article 105. General make-up of mails

1. International Express Mail dispatches shall be made up in closed mails, and shall be accompanied by the air mail delivery bill and manifest forms required by these regulations.

2. The items in each dispatch shall be enclosed in blue and orange International Express Mail bags.

3. Items containing merchandise or other dutiable articles shall be placed in separate bags from non-dutiable items and shall be dispatched separately, accompanied by a separate manifest.

4. Each bag shall bear a label showing the blue and orange chevron which has been adopted as the International Express Mail identification symbol. Each bag label shall clearly indicate:

- (a) the exchange office of destination;
- (b) whether the bag contains merchandise or other dutiable items.

Article 106. Manifests

1. An International Express Mail manifest, on a form acceptable to each administration, shall accompany each dispatch.

2. Each item sent through the scheduled service shall be listed separately on the manifest. If no items are sent under a scheduled service contract, the contract number and the fact that no items were sent shall be entered on the manifest.

3. The total number of on-demand items in a dispatch shall be entered collectivley as a single manifest entry.

4. The manifest shall clearly indicate that the dispatch contains International Express Mail items.

Article 107. Air mail delivery bills

1. An air mail delivery bill, on Universal Postal Union form AV 7, shall accompany each dispatch.

2. The air mail delivery bill shall be marked so as to indicate clearly that the dispatch contains International Express Mail.

Article 108. Exchange offices

1. The exchange of dispatches of International Express Mail shall be carried out by the designated exchange offices of each administration.

2. Each administration shall designate its International Express Mail exchange offices to be used in the service and inform the other administration of the location of each such exchange office.

3. Each administration shall give the other administration advance notice of redesignation of or addition to its exchange offices.

Article 109. Check of International Express Mail

1. Upon receipt of an International Express Mail dispatch, the administration of destination shall check the dispatch to confirm its conformity with the air mail delivery bill.

2. The contents of each dispatch shall be checked as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the manifest.

Article 110. Notification of irregularities

1. Any evidence of missing or damaged bags or items shall be reported to the administration of origin by telex and confirmed in writing.

2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

Article 111. Redirection of items arriving out of course

The redirecting administration shall notify the administration of origin, by telex or telephone of the details concerning

the arrival and redirection of each item or bag arriving out of course.

Article 112. Return of items to origin

Each administration which returns an item for any reason whatsoever shall give, either written by hand or by means of a stamped impression or a label on the item and on the manifest which accompanies it, the reason for non-delivery.

Article 113. Accounting, settlement of accounts

1. The procedures for accounting and for the settlement of accounts for internal air conveyance shall be governed by the provisions covering accounting for air mail in the Detailed Regulations of the Convention.

2. The procedures for accounting and for the settlement of accounts for traffic imbalances shall be as follows:

(a) The settlement shall take place annually. The annual period shall begin on the date agreed upon under the provisions of article 24 of the Agreement;.

(b) Each administration shall prepare quarterly a statement of items received on a mutually acceptable form which indicates the number of items received in each dispatch based upon the particulars of the International Express Mail manifests. These forms shall be forwarded to the administration of origin within two months from the end of the quarter;

- (c) The origin administration shall verify the statement of items received and advise the destination administration by correspondence of its acceptance. If the verification reveals any discrepancies, a corrected statement shall be returned to the destination administration duly amended and accepted. If the destination administration disputes the amendments, it shall confirm the actual data by sending photocopies of relevant International Express Mail manifests and notices of irregularities to the administration of origin. If the destination administration has received no notice of amendment within two months from the date of forwarding the quarterly statement of items received, the account shall be regarded as fully accepted.
- (d) After each administration has accepted the statement of items received prepared by the other, the creditor administration shall prepare annually a detailed account and statement of charges on a mutually acceptable form which indicates the total number of items received and dispatched, the imbalance, the imbalance charge per item and the total amount due;.
- (e) Accounts shall be closed within six months after the last day of the settlement period.

Article 114. Definitions

The definitions set forth in article 2 of the Agreement shall be applicable to these Detailed Regulations

Article 115. Period of retention of documents

1. Documents of the service shall be kept for a minimum period of eighteen months from the day following the date to which they refer.

2. A document concerning a dispute or an inquiry shall be kept until the matter has been settled. If the inquiring administration, duly informed of the result of an inquiry, allows six months to elapse from the date of the communication without raising any objections, the matter shall be regarded as settled.

Article 116. Alterations or amendments

These Detailed Regulations may be altered or amended, not inconsistently with the Agreement, by mutual consent of the administrations by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 117. Entry into force and duration of these Detailed Regulations

1. These Detailed Regulations shall come into force on the same date as the International Express Mail Agreement to which they refer.

2. These Detailed Regulations, and any amendments hereto pursuant to article 116, shall have the same duration as the International Express Mail Agremeent to which they refer.

Done in duplicate and signed at Washington, D. C. on the 10th
day of January, 1979, and at Singapore on the 5th day
of January, 1979.

FOR THE UNITED STATES OF AMERICA:


Edgar A. Hart
Director, International Postal Affairs

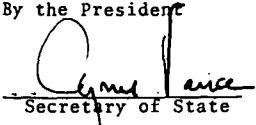
FOR THE REPUBLIC OF SINGAPORE:


Ang Chee Kiong
Postmaster General

The foregoing Agreement between the United States and Singapore for the exchange of International Express Mail items and the Detailed Regulations of the Agreement have been negotiated and concluded with my advice and consent and are hereby approved and ratified.

In testimony whereof I have caused the seal of the United States to be hereunto affixed.

[SEAL]

By the President

Cyrus Vance
Secretary of State
Washington, February 9, 1979.



BANGLADESH
Fertilizer Distribution Improvement

*Agreement signed at Dacca July 28, 1978;
Entered into force July 28, 1978.
And amending agreement
Signed at Dacca June 25, 1979;
Entered into force June 25, 1979.*

A. I. D. Project Number 388-0024

PROJECT
GRANT AGREEMENT
BETWEEN
THE PEOPLE'S REPUBLIC OF BANGLADESH
AND
THE UNITED STATES OF AMERICA
FOR
FERTILIZER DISTRIBUTION IMPROVEMENT I

Dated: July 28, 1978

TABLE OF CONTENTS

<u>Project Grant Agreement</u>		<u>Page No.</u>	<u>{Pages herein}</u>
Article 1 : The Agreement		1	3412
Article 2 : The Project			
SECTION 2.1	Definition of Project	1	3412
SECTION 2.2	Incremental Nature of Project	1	3412
Article 3 : Financing			
SECTION 3.1	The Grant	2	3413
SECTION 3.2	Grantee Resources for the Project	2	3413
SECTION 3.3	Project Assistance Completion Date	2	3413
Article 4 : Conditions Precedent to Disbursement			
SECTION 4.1	First Disbursement	3	3414
SECTION 4.2	Additional Disbursement	4	3415
SECTION 4.3	Notification	4	3415
SECTION 4.4	Terminal Date for Conditions Precedent	4	3415
Article 5 : Special Covenants			
SECTION 5.1	Project Evaluation	5	3416
SECTION 5.2	Implementation Action	5	3416
Article 6 : Procurement Sources			
SECTION 6.1	Foreign Exchange Costs	6	3417
SECTION 6.2	Local Currency Costs	6	3417
Article 7 : Disbursement			
SECTION 7.1	Disbursement for Foreign Exchange Costs	6	3417
SECTION 7.2	Disbursement for Local Currency Costs	7	3418
SECTION 7.3	Other Forms of Disbursement	7	3418
SECTION 7.4	Date of Disbursement	7	3418
SECTION 7.5	Rate of Exchange	8	3419
Article 8 : Miscellaneous			
SECTION 8.1	Investment Guaranty Project Approval	8	3419
SECTION 8.2	Communications	8	3419
SECTION 8.3	Representatives	9	3420
SECTION 8.4	Standard Provisions Annex	9	3420
Annex 1 Project Description			
Annex 2 Project Grant Standard Provisions [¹]			

¹ Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A. I. D. Project No. 388-0024

Project Grant Agreement

Dated: July 28, 1978

Between

The People's Republic of Bangladesh ("Grantee" or "Government")

And

The United States of America, acting through

The Agency for International Development ("A. I. D.")

Article 1 : The Agreement

The purpose of this Agreement is to set out the understandings of the Parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2 : The Project

SECTION 2.1 Definition of Project. The Project which is further described in Annex 1, is directed to improvement of the Grantee's fertilizer distribution and marketing systems.

Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.3 without formal amendment of the Agreement.

SECTION 2.2 Incremental Nature of Project. (a) It is anticipated that A. I. D.'s contribution of one hundred and fifty million U.S. Dollars (\$150,000,000) to the Project will be provided in increments the initial one of forty three million U.S. Dollars (\$43,000,000) being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A. I. D. for this purpose and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed. Further, both parties should be satisfied that this Project's basic purpose of assisting small farmer access to fertilizer is being achieved.

(b) In the event that A.I.D. does not add a contemplated increment of funding in a timely fashion, it is understood that either Party may elect to terminate this Agreement in accordance with Grant Project Standard Provisions, provided, that within the limits of then available funds committed to the Project by the Parties, the termination period may be extended beyond a period of 30 days to provide for orderly arrangements, and that each Party will do all it believes appropriate to retain and extend the benefits of Project activity which has already taken place.

(c) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D. based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article 3 : Financing

SECTION 3.1 The Grant. To assist the Grantee to meet the costs of carrying out the Project, AID, pursuant to the Foreign Assistance Act of 1961 as amended,^[1] agrees to grant the Grantee under the applicable terms of this Agreement not to exceed forty three million United States (U.S.) Dollars (\$43,000,000) ("Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 7.1 and local currency costs as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2 Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Grantee for the three year period of the Project will be not less than the equivalent of three hundred and fifty million U.S. Dollars (\$350,000,000) including costs borne on an "in-kind" basis.

SECTION 3.3 Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is forty eight (48) months from the date of this Agreement, or such other date as the parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

¹ 75 Stat. 424; 22 U.S.C. § 2151 note.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4 : Conditions Precedent to Disbursement

SECTION 4.1 First Disbursement. Prior to the first disbursement under the Grant or to the issuance by A.I.D. of any commitment documents the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by and executed on behalf of, the Grantee and that it constitutes a valid and legally binding obligation of the Grantee in accordance with all of its terms;

(b) A statement of the names of the persons holding or acting in the offices of the Grantee specified in Section 8.3 and a specimen signature of each person specified in such statement;

(c) Assurance that budgetary allocations will be established for fiscal years 1978-79, 1979-80 and 1980-81 for the Bangladesh Agricultural Development Corporation (B.A.D.C.) sufficient to carry out the Project for each year, including an undertaking to increase such allocations if required to meet the requirements of the Project.

(d) Evidence of the intended fertilizer price structure which will prevail through FY 1978-79.

(e) Directives establishing for Chittagong Division margin structures for each fertilizer, freedom of private sector movement of fertilizer in all except the national border area, and removal of dealer licensing requirements.

(f) Evidence of action by the Government to finance an engineering study of the best way to make operable the bulk fertilizer storage warehouses at Ghorasal and Fenchuganj Urea Factories.

SECTION 4.2 Additional Disbursement. Prior to additional disbursement under the Grant, or to issuance by AID of documentation pursuant to which additional disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to AID in form and substance satisfactory to AID:

(a) Evidence of arrival and out-turn reports and claims concerning any fertilizer under a preceding procurement financed by this project, when such fertilizer has already arrived in Bangladesh.

(b) Establishment of the phased new system of private retail and wholesale dealers.

(c) Action to make operable the Ghorasal and Fenchuganj bulk storage warehouses.

(d) Signed copies of consultant contracts acceptable to AID for engineering and technical services required for the project.

SECTION 4.3 Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

SECTION 4.4 Terminal Date for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within twenty (20) days from the date of this Agreement, or such later date as A.I.D. may agree in writing, A.I.D., at its option, may terminate this Agreement by writing notice to the Grantee, in terms of Article D Annex 2.

Article 5 : Special Covenants

SECTION 5.1 Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include annual evaluations of the Project including: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment and (c) assessment of how such information may be used to help overcome such problems, in this or other projects.

SECTION 5.2 Implementation Action.

(a) The Government will take effective action to remove constraints to increased fertilizer use including the following constraints:

- (i) Erratic and uncertain supply from local production and import.
- (ii) Limited internal transportation and storage capability.
- (iii) Marketing constraints at the retail and wholesale levels, including inadequate financial incentive to the retail dealers and complete absence of private wholesale dealers.
- (iv) Inadequate farmer incentives.

(b) The Government will assign an effective priority to fertilizer transport, establish rationalized rate structures for fertilizer movement, and take all other necessary measures to meet fertilizer transport needs.

(c) The Government will consult with AID from time to time at the request of either with respect to the obligations accepted by the Government under this project and any question related thereto.

(d) The Government shall make available promptly as needed, the land, funds, facilities, services, personnel and other resources, including funds for construction or acquisition of additional warehouse or storage space, which are required, in addition to the proceeds of the Grant, for carrying out the project.

(e) The Government will endeavor to maintain a minimum in-country stock balance equal to five months supply of each required fertilizer throughout the year.

(f) The Government will contract for the feasibility study and design of fertilizer bagging facilities at Chittagong and Chalna, including economic and technical analysis of the best use of the TSP Factory facilities at Chittagong, whether it would be best to improve the facilities for TSP production, convert the factory to produce some other fertilizer, or to make partial or sole use of the facilities for fertilizer bulk imports. The Government is committed to make the best feasible use of the facilities considering all factors.

(g) The Government will cause BADC and The Bangladesh Chemical Industries Corporation (BCIC) to operate the Project in such manner as to ensure the continuing and successful achievement of the Project purpose.

Article 6 : Procurement Source

SECTION 6.1 Foreign Exchange Costs.

Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in Section C.1(b) of Annex 2 hereto with respect to marine insurance.

SECTION 6.2 Local Currency Costs.

Disbursement pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services for the Project having their source and except as A.I.D. may otherwise agree in writing, origin in Bangladesh ("Local Currency Costs").

Article 7 : Disbursement

SECTION 7.1 Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in the Grantee's behalf of the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letter of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by the Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless the Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2 Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for local currency costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained through purchase of local currency by A.I.D. The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 7.3 Other Forms of Disbursement.

Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4 Date of Disbursement. Disbursement by A.I.D. will be deemed to occur on the date on which A.I.D. makes a disbursement to the Grantee or its designee, or to a banking institution pursuant to a Letter of Commitment or Credit.

SECTION 7.5 Rate of Exchange.

Except as may be more specifically provided under Section 7.2 if funds provided under the Grant are introduced into Bangladesh by A. I. D. or any public or private agency for purposes of carrying out obligations of A. I. D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into the currency of Bangladesh at the official rate of exchange in Bangladesh at the time the conversion is made.

Article 8 : Miscellaneous**SECTION 8.1 Investment Guaranty Project Approval.**

The Grantee agrees that the contracts to be financed under this Agreement may be insured by the Overseas Private Investment Corporation, an agency of the United States of America.

SECTION 8.2 Communications.

Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address : Secretary
External Resources Division
Ministry of Planning
Sher-e-Bangla Nagar
Dacca, Bangladesh

Alternate address for cables: BAHISAMPAD, Dacca, Bangladesh

To A. I. D.

Mail Address : U. S. A. I. D. Mission/Bangladesh
American Embassy
G. P. O. Box # 2593, Ramna
Dacca-2, Bangladesh

Alternate address for cables: USAID, Dacca, Bangladesh

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.3 Representatives.

For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Secretary or Joint Secretary, External Resources Division, Ministry of Planning and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D. Mission/Bangladesh, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signature, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.4 Standard Provisions Annex.

A "Project Grant Standard Provisions Annex" (Annex 2)^[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH

By:

Signature: A. M. A. Muhith

Name: A. M. A. Muhith
Title : Secretary
External Resources Division
Ministry of Planning

THE GOVERNMENT OF THE UNITED
STATES OF AMERICA

By:

Signature: David T. Schneider

Name: David T. Schneider
Title : Ambassador

By:

Signature: Joseph S. Tolner

Name: Joseph S. Tolner
Title : Director
USAID/Bangladesh

¹ See footnote 1, p. 3411.

ANNEX I

Project Description

The Government of Bangladesh has set, as one of its primary economic goals, foodgrain self-sufficiency by 1985/86. Fundamental to attainment of the goal is substantially increased use of fertilizer particularly by small farmers who have yet to benefit from the potential of high yielding variety technology.

The project of which this Grant is a part, consists of the manufacture of fertilizer in Bangladesh, the importation into and inland distribution within Bangladesh of necessary fertilizers and other activities related to the same purpose including the construction of fertilizer storage facilities. The total cost of meeting these needs for the 1978-79 to 1980-81 project period is estimated to be approximately dollars 750 million equivalent for fertilizer, distribution and related costs.

During the project period important improvements in the fertilizer distribution system will be attempted by the Government with AID support. These improvements will include an attempted minimum 15 percent per annum increase in fertilizer sales, advance fertilizer import programming, increased private sector role in fertilizer marketing, increased storage capacity, efficient operation of domestic fertilizer plants, construction of bagging facilities for bulk fertilizer imports, and general improvements in such areas as management, inventory control, finance and transportation.

Subject to availability of funds, the AID grant for dollars 150 million will provide a portion of the local currency and foreign exchange financing for the project over its three year period. In this initial grant dollars 43 million is extended. The funds are available to assist in financing foreign exchange costs for the acquisition and importation of fertilizers and other agricultural inputs, and for foreign exchange and local currency costs of fertilizer storage construction, training, technical assistance, materials and equipment and related services as A.I.D. may agree in writing. Financing for such extends to the local and foreign exchange costs incurred in their acquisition, transportation, insurance, inspection and conduct of training. Other costs as agreed will be met by the Government, including the cost of inland distribution of the fertilizer.

The Government will take effective action to introduce in a phased manner nationwide wholesale and retail competition between private fertilizer dealers. Private dealers are here defined to include the cooperatives on an equal competitive basis with private individuals and businesses. BADC will introduce the system during the first year in the Chittagong Division. The principles of this system are as follows:

- BADC will sell only from primary distribution points and from remote and inaccessible thanas in which it can be predicted that the private sector will not come forth adequately at first. In all other thanas, BADC will maintain its warehouses as observation posts only and not sell from them unless the market price rises excessively above the administered price.
- At the primary distribution points, BADC will begin sales at reduced wholesale rates for large (wholesale) quantity fertilizer purchases. Once the fertilizer leaves the BADC warehouses, however, its resale price will be unrestricted up to the administered price to the farmer. The discount structures to prevail in Chittagong Division during the first year of the Project are as follows:

(a) Less than 3 Tons	5 TK/MD
(b) 3 Tons and Above	230 TK/TON
- All private individuals, companies, farmer associations, cooperatives, etc. will be permitted to purchase from all BADC warehouses. Such purchases shall be open and no restrictions shall be imposed. Instead customer records shall be maintained through the purchase invoices.
- Private movement of fertilizer will be unrestricted except in the five mile national border area.
- An attempt will be made to develop a system whereby private dealers can obtain sufficient credit from commercial banks and the Krishibank. BADC will assist the dealers in obtaining bank support.
- If and when private dealers set up their own trade organization, it will receive BADC's and the Marketing Consultant's support.

It is understood that this system can work well only in a satisfactory supply situation. To the extent this system is successful, it will be extended to the entire country.

PROJECT FINANCIAL PLAN
 (Source and Application of Funding - \$Million)

As of: Date of Project Agreement

Project No. 388-0024

A. For Three Year Period of Project

<u>Project Inputs</u>	<u>A. I. D.</u>	<u>Grant</u>		<u>Grantee Other</u>		<u>Total</u>
		<u>Foreign Exchange</u>	<u>Local Currency</u>			
Systems Improvements	2.0	0.5		2.5	0.0	0.0 2.5
Storage and Bulk Handling	2.5	24.0		26.5	10.0	0.0 36.5
Fertilizer Purchase	121.0	0.0		121.0	190.0	250.0 561.0
Operating Costs	0.0	0.0		0.0	150.0	0.0 150.0
Total	125.5	24.5		150.0	350.0	250.0 750.0

B. For First Year of Project

<u>Project Inputs</u>	<u>A. I. D.</u>	<u>Grant</u>		<u>Grantee Other</u>		<u>Total</u>
		<u>Foreign Exchange</u>	<u>Local Currency</u>			
Systems Improvements	0.3	0.2		0.5	0.0	0.0 0.5
Storage and Bulk Handling	1.0	11.5		12.5	4.0	0.0 16.5
Fertilizer Purchase	37.0	0.0		37.0	50.0	60.0 147.0
Operating Costs	0.0	0.0		0.0	36.0	0.0 36.0
Total	38.3	11.7		50.0*	90.0	60.0 200.0

Note: \$1.00 = Tk. 15.00 (Local Currency)

* \$43 million is provided in the initial grant. The additional \$7 million will be provided subject to the availability of funds.

[Footnote in the original.]

[AMENDING AGREEMENT]

A. I. D. Grant No. 388-0024

AMENDMENT NO. 2

TO

PROJECT GRANT AGREEMENT

BETWEEN

THE PEOPLE'S REPUBLIC OF BANGLADESH

AND

THE UNITED STATES OF AMERICA

FOR

FERTILIZER DISTRIBUTION IMPROVEMENT I

DATED: June 25, 1979

Amendment No. 2 dated June 25, 1979 between the People's Republic of Bangladesh ("Government") and the United States of America acting through the Agency for International Development ("A. I. D.").

WHEREAS, The Government and A.I.D. entered into a Project Grant Agreement No. 388-0024 dated July 28, 1978 as amended and

WHEREAS, AID has agreed to grant the Government additional funds for the Project:

NOW THEREFORE, The Government and AID agree to amend said Project Grant Agreement as follows:

1. Article 3, Financing. Section 3.1

Delete the present Section 3.1, The Grant and substitute the following:

"SECTION 3.1 The Grant. To assist the Grantee to meet the cost of carrying out the Project, AID pursuant to the Foreign Assistance Act of 1961 as amended, agrees to grant the Grantee under the applicable terms of this Agreement not to exceed one hundred million United States (U.S.) Dollars (\$100,000,000) ("Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 7.1 and local currency costs as defined in Section 7.2, of goods and services required for the Project."

2. Add: "Section 4.2(e) Evidence of the intended fertilizer price structure which will prevail through FY 1979-80."

3. All other terms and conditions of the Project Grant Agreement No. 388-0024 dated July 28, 1978 as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the Government and AID each acting through their respective duly authorized representatives have caused the Amendment No. 2 to be signed in their names and delivered as of the date first above written.

By:

Signature: 
Name : Mr. A. M. A. Muhith
Title : Secretary
External Resources
Division
Ministry of Finance

Signature: 
Name : David T. Schneider
Title : Ambassador

HONG KONG

Express Mail Service

*Agreement, with detailed regulations, signed at Hong Kong and
Washington January 2 and February 6, 1979;
Approved and ratified by the President of the United States of
America March 15, 1979;
Entered into force March 15, 1979;
Effective February 1, 1979.*

INTERNATIONAL EXPRESS MAIL AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL ADMINISTRATION OF HONG KONG

Preamble

The undersigned, by virtue of the authority vested in them, have concluded the following Agreement.

Article 1. Purpose of the Agreement

This Agreement shall govern the exchange of International Express Mail between the United States of America and Hong Kong, including any areas for which the respective postal administrations exercise International Express Mail responsibilities.

Article 2. Definitions

As used herein the following terms shall have the indicated meanings:

1. Administration - an abbreviated form used to refer to one of the postal administrations signatory to this Agreement;
2. Articles and sections - articles and sections of this Agreement, except when the context indicates an article which is or can be inserted into an item;
3. Convention - the Universal Postal Convention^[1] adopted by the Congress of the Universal Postal Union from time to time and adopted by the administrations signatory to this Agreement;
4. Detailed Regulations of the Convention - the Detailed Regulations of the Universal Postal Convention enacted by the Congress of the Universal Postal Union from time to time and adopted by the administrations signatory to this Agreement;

^[1]TIAS 5881, 7150, 8231; 16 UST 1291; 22 UST 1056; 27 UST 345.

5. International Express Mail Service - the service established by this Agreement, the domestic counterparts of which are Express Mail Service in the United States of America and Speed-post in Hong Kong;
6. On-demand service - an International Express Mail service option which allows a sender to mail an item without any requirements for scheduling or prior designation of addressee;
7. References to the regulations of either administration or to its internal legislation are to the general regulations or legislation governing the matter in question which are applicable regardless of the administration of origin;
8. Scheduled service - an International Express Mail Service option which allows a sender to enter into a contractual arrangement to mail items on a designated schedule to designated addressees.

Article 3. Scheduled service

1. Each administration shall offer scheduled service on a contractual basis to customers who agree to use the service on a designated schedule to send items to designated addressees.
2. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which scheduled service is available, based upon the time schedules of the international flights used to carry scheduled items.

3. For each scheduled service contract, the administration of origin shall provide the administration of destination with the following information at least ten days prior to commencing service pursuant to such contract:
 - (a) the identification number of the customer contract, which number shall be indicated on each item sent;
 - (b) the name and address of the designated addressee;
 - (c) the days of the week designated by the customer as scheduled dispatch days;
 - (d) the time of day delivery is requested; and
 - (e) the airline and flight number to be used.

Article 4. On-demand service

1. Each administration shall offer on-demand service which shall be available to customers on a non-scheduled basis.
2. Each administration shall provide the other administration with a list of the cities and other locations to which on-demand service is available.
3. Each administration shall provide the other administration with a schedule of approximate delivery times to each city or other location to which on-demand service is available, based upon the time schedules of the international flights used to carry on-demand items.

TIAS 9398

4. Each administration shall inform the other administration of all identification marks or numbers which it uses for each on-demand item.

5. The administration of origin is not required to provide the administration of destination with notice prior to sending an on-demand item.

Article 5. Charges to be collected from the sender

Each administration shall fix the charges to be collected from senders for sending items in the service.

Article 6. Charges and fees to be collected from the addressees

Each administration shall be authorized to collect from the addressee the customs duty and other applicable non-postal fees, if any, payable on each item it delivers and a charge for the collection of such fees.

Article 7. Conditions of acceptance

Provided that the contents do not come within the prohibitions listed in article 8, each item to be admitted into the International Express Mail service shall:

- (a) be packed in a manner adapted to the nature of the contents and the conditions of transport;
- (b) bear the name and address of the addressee and of the sender; and
- (c) satisfy the conditions of weight and size fixed by article 9.

Article 8. Prohibitions

1. The provisions of the Convention governing prohibitions shall be applicable to the insertion of articles in International Express Mail items.

2. Each administration shall communicate to the other the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing entry of postal items in its service.

Article 9. Limits of size and weight

1. An item of International Express Mail:

(a) shall not exceed 900 millimeters for any one dimension or 2 meters for the sum of the length and the greatest circumference measured in a direction other than that of the length; and

(b) shall not exceed 15 kilograms in weight.

2. The administrations may agree by exchange of correspondence to change the size and weight limits established in section 1; however, the maximum weight limit shall in no event be increased in excess of 20 kilograms.

Article 10. Treatment of items wrongly accepted

1. When an item containing an article prohibited under article 8 has been wrongly admitted to the post, the prohibited article shall be dealt with according to the legislation of the administration establishing its presence.

2. When the weight or the dimensions of an item exceed the limits established under article 9, it shall be returned to the administration of origin if the regulations of the administration of destination do not permit delivery.

3. When a wrongly admitted item is neither delivered to the addressee nor returned to origin, the administration of origin shall be informed how the item has been dealt with and of the restriction or prohibition which required such treatment.

Article 11. General rules for delivery and customs clearance

1. Each administration shall in accordance with its regulations for the type of service used, make every effort to effect delivery of each item of International Express Mail by the fastest means available.

2. Each administration shall make every effort to expedite the customs clearance of International Express Mail items.

• Article 12. Undeliverable items

1. After every reasonable effort to deliver an item has proved unsuccessful, the item shall be held at the disposal of the addressee for the period of retention provided by the regulations of the administration of destination.

2. An item refused by the addressee shall be returned immediately to the administration of origin.

3. Each undeliverable item shall be returned to the administration of origin through the International Express Mail service.

4. Neither administration shall charge the other for the return of undeliverable items.

Article 13. Items arriving out of course and to be redirected

1. Each item arriving out of course shall be redirected to its proper destination by the the most direct route used by the administration which has received the item.

2. Neither administration shall charge the other for the redirection of items arriving out of course.

Article 14. Inquiries

1. Each administration shall answer in the shortest possible time, not to exceed one month, inquiries relating to any International Express Mail item posted by the other administration.

2. Inquiries shall be accepted only within a period of four months from the day after that on which the item was posted.

3. This article does not authorize routine requests for confirmation of delivery.

Article 15. Allocation of surface costs for traffic imbalances

1. At the end of each year of this Agreement, the administration which has received a larger quantity of International Express Mail than it has sent during that year shall have the right to collect from the other administration, as compensation, an imbalance charge for the surface handling and delivery costs it has incurred for each additional item received.

2. Each administration shall establish an imbalance charge per item which shall correspond to the costs of services.

3. Modifications of the imbalance charge may be made as follows:

- (a) each administration may increase its imbalance charge when such an increase is necessary due to an increase in the cost of services;
- (b) to be applicable, any such modification of the imbalance charge must:
 - (i) be communicated to the other administration at least three months in advance;
 - (ii) remain in force for at least one year.

4. No imbalance charge shall be collected if the difference in the number of items exchanged is less than one thousand.

Article 16. Internal air conveyance dues

Each administration which provides air conveyance of items within its country shall be entitled to reimbursement of internal air conveyance dues at rates established in the provisions of the Convention which govern internal air conveyance dues.

Article 17. Onward air conveyance

1. The administrations may agree, by exchange of correspondence, to provide onward air conveyance services under the terms of this article.
2. Each administration shall, upon agreement under section 1 of this article, provide onward air conveyance service to or

from any country with which it exchanges International Express Mail items, for items addressed to or originating in the other administration and shall provide approximate onward air conveyance times.

3. For each item forwarded pursuant to this article, the administration providing onward air conveyance services shall be authorized to collect from the other administration the onward air conveyance rates applicable to airmail under the Convention.

Article 18. No additional rates, charges or fees

The administrations may collect only the rates, charges and fees established under this Agreement.

Article 19. Application of the Convention

The Convention or its Detailed Regulations shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement or its Detailed Regulations.

Article 20. Temporary suspension of service

1. Should extraordinary circumstances justify it, either administration may suspend temporarily its operation of the service.

2. Notice of such suspension shall be given immediately to the other administration.

Article 21. Detailed Regulations

1. Details of implementation of this Agreement shall be governed by its Detailed Regulations.

2. The provisions of the Detailed Regulations may be amended, not inconsistently with this Agreement, by mutual consent by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 22. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Agreement which cannot be resolved by the administrations to their mutual satisfaction, shall be settled by arbitration, following the arbitration procedures of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration. The arbitrators shall be chosen from the administrations which provide a service analogous to International Express Mail service.

Article 23. Additional rules and regulations

Each administration is authorized to adopt implementing rules and regulations for its internal operation of the service not inconsistent with this Agreement or the Detailed Regulations.

Article 24. Entry into force and duration of the Agreement

1. This Agreement shall enter into force on the date mutually agreed upon by the administrations, after it is signed by the authorized representatives of both administrations.^[1]

2. This Agreement shall expire twelve months after either administration notifies the other in writing of termination.

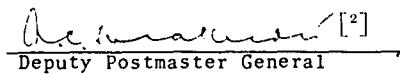
^[1] Mar. 15, 1979.

Done in duplicate and signed at Washington, D. C. on
the 6th day of February, 1979, and at Hong Kong on
the 2nd day of January, 1979.

FOR THE UNITED STATES OF AMERICA:


[¹]
H. Edgar S. Stock
Director International Postal Affairs

FOR HONG KONG:


[²]
A. C. Heathcote
Deputy Postmaster General

¹ H. Edgar S. Stock.
² A. C. Heathcote.

DETAILED REGULATIONS OF THE INTERNATIONAL
EXPRESS MAIL AGREEMENT

BETWEEN

THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL ADMINISTRATION OF HONG KONG

The undersigned, by virtue of the authority vested in them, have drawn up the following Detailed Regulations for implementation of the International Express Mail Agreement between the United States Postal Service and the Postal Administration of Hong Kong.

Article 101. Information to be supplied by the administrations

1. Each administration shall notify the other administration of:

- (a) the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing the entry of International Express Mail items in its country and other areas for which it has International Express Mail responsibility;
- (b) the provisions of its laws or regulations applicable to the conveyance of International Express Mail items;
- (c) the rates and dues established under the Agreement;
- (d) the forms, labels and other documentation which it requires in the service.

2. Any change of the information mentioned in section 1 shall be communicated in writing immediately to the other administration.

Article 102. Address of the sender and of the addressee

To be admitted for mailing, each item of International Express Mail shall bear, in roman letters and arabic figures on the item itself or on a label firmly attached to it, the names and complete addresses of the sender and of the addressee.

Article 103. Items containing merchandise

1. Each item containing merchandise or any other article subject to customs duty shall be accompanied by a customs declaration on Universal Postal Union Form C2/CP3 or a similar form. The customs declaration shall be securely attached to each such item.

2. The contents of each such items shall be shown in detail on the customs declaration.

3. Although the administrations assume no responsibility for the accuracy of customs declarations, they shall inform senders of the correct way to complete these declarations.

4. The aggregate value of all items a sender may send to the United States of America in one day for the same addressee shall not exceed two hundred and fifty dollars.

Article 104. Packing requirements

1. Each item shall be packed and closed in a manner befitting the weight, the shape and the nature of the contents, as well as the mode and duration of conveyance.

2. Each item shall be packed and closed so as not to present any danger if it contains articles of a kind likely to injure officials called upon to handle it or to soil or damage other mail or postal equipment.

3. Each item shall have, on its packing or wrapping, sufficient space for service instructions and for affixing labels.

4. Each item which requires special packing shall be made up in accordance with the packing provisions in the Detailed Regulations of the Convention.

Article 105. General make-up of mails

1. International Express Mail dispatches shall be made up in closed mails, and shall be accompanied by the air mail delivery bill and manifest forms required by these regulations.

2. The items in each dispatch shall be enclosed in blue and orange International Express Mail bags.

3. Items containing merchandise or other dutiable articles shall be placed in separate bags from items containing business documents, correspondence, and commercial papers and shall be dispatched separately, accompanied by a separate manifest.

4. Each bag shall bear a label showing the blue and orange chevron which has been adopted as the International Express Mail identification symbol. Each bag label shall clearly indicate:

- (a) the exchange office of destination;
- (b) whether the bag contains merchandise or other dutiable items.

Article 106. Manifests

1. An International Express Mail manifest, on a form acceptable to each administration, shall accompany each dispatch.

2. Each item sent through the scheduled service shall be listed separately on the manifest. If no items are sent under a scheduled service contract, the contract number and the fact that no items were sent shall be entered on the manifest.

3. The total number of on-demand items in a dispatch shall be entered collectively as a single manifest entry.

4. The manifest shall clearly indicate that the dispatch contains International Express Mail items.

Article 107. Air mail delivery bills

1. An air mail delivery bill, on Universal Postal Union form AV 7, shall accompany each dispatch.

2. The air mail delivery bill shall be marked so as to indicate clearly that the dispatch contains International Express Mail.

Article 108. Exchange offices

1. The exchange of dispatches of International Express Mail shall be carried out by the designated exchange offices of each administration.

2. Each administration shall designate its International Express Mail exchange offices to be used in the service and inform the other administration of the location of each such exchange office.

3. Each administration shall give the other administration advance notice of redesignation of or addition to its exchange offices.

Article 109. Check of International Express Mail

1. Upon receipt of an International Express Mail dispatch, the administration of destination shall check the dispatch to confirm its conformity with the air mail delivery bill.

2. The contents of each dispatch shall be checked as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the manifest.

Article 110. Notification of irregularities

1. Any evidence of missing or damaged bags or items shall be reported to the administration of origin by telex and confirmed in writing.

2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

Article 111. Redirection of items arriving out of course

The redirecting administration shall notify the administration of origin, by telex or telephone of the details concerning

the arrival and redirection of each item or bag arriving out of course.

Article 112. Return of items to origin

Each administration which returns an item for any reason whatsoever shall give, either written by hand or by means of a stamped impression or a label on the item and on the manifest which accompanies it, the reason for non-delivery.

Article 113. Accounting, settlement of accounts

1. The procedures for accounting and for the settlement of accounts for internal air conveyance shall be governed by the provisions covering accounting for air mail in the Detailed Regulations of the Convention.

2. The procedures for accounting and for the settlement of accounts for traffic imbalances shall be as follows:

(a) The settlement shall take place annually. The annual period shall begin on the date agreed upon under the provisions of article 25 of the Agreement;

(b) Each administration shall prepare quarterly a statement of items received on a mutually acceptable form which indicates the number of items received in each dispatch based upon the particulars of the International Express Mail manifests. These forms shall be forwarded to the administration of origin within two months from the end of the quarter;

- (c) The origin administration shall verify the statement of items received and advise the destination administration by correspondence of its acceptance. If the verification reveals any discrepancies, a corrected statement shall be returned to the destination administration duly amended and accepted. If the destination administration disputes the amendments, it shall confirm the actual data by sending photocopies of relevant International Express Mail manifests and notices of irregularities to the administration of origin. If the destination administration has received no notice of amendment within two months from the date of forwarding the quarterly statement of items received, the account shall be regarded as fully accepted.
- (d) After each administration has accepted the statement of items received prepared by the other, the creditor administration shall prepare annually a detailed account and statement of charges on a mutually acceptable form which indicates the total number of items received and dispatched, the imbalance, the imbalance charge per item and the total amount due;
- (e) Accounts shall be closed within six months after the last day of the settlement period.

TIAS 9398

Article 114. Definitions

The definitions set forth in article 2 of the Agreement shall be applicable to these Detailed Regulations

Article 115. Period of retention of documents

1. Documents of the service shall be kept for a minimum period of eighteen months from the day following the date to which they refer.

2. A document concerning a dispute or an inquiry shall be kept until the matter has been settled. If the inquiring administration, duly informed of the result of an inquiry, allows six months to elapse from the date of the communication without raising any objections, the matter shall be regarded as settled.

Article 116. Alterations or amendments

These Detailed Regulations may be altered or amended, not inconsistently with the Agreement, by mutual consent of the administrations by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 117. Entry into force and duration of these Detailed Regulations

1. These Detailed Regulations shall come into force on the same date as the International Express Mail Agreement to which they refer.

2. These Detailed Regulations, and any amendments hereto pursuant to article 116, shall have the same duration as the International Express Mail Agreement to which they refer.

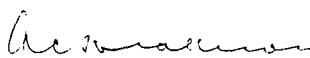
Done in duplicate and signed at Washington, D. C. on
the 6th day of February, 1979, and at Hong Kong on
the 2nd day of January, 1979.

FOR THE UNITED STATES OF AMERICA:



Herman H. Hahn
Director, International Postal Affairs

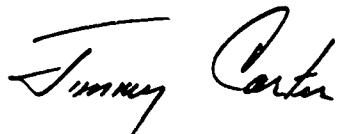
FOR HONG KONG:



Mr. Ronald L. Johnson
Deputy Postmaster General

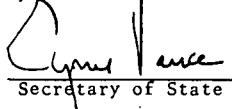
The foregoing Agreement between the United States and Hong Kong for the exchange of International Express Mail items and the Detailed Regulations of the Agreement have been negotiated and concluded with my advice and consent and are hereby approved and ratified.

In testimony whereof I have caused the seal of the United States to be hereunto affixed.



[SEAL]

By the President



Cyrus Vance
Secretary of State

Washington, March 15, 1979.

HONDURAS

Hydrographic and Nautical Cartography

*Arrangement signed at Tegucigalpa August 30, 1976;
Entered into force August 30, 1976.*

ARRANGEMENT FOR HYDROGRAPHIC AND NAUTICAL CARTOGRAPHY BETWEEN THE AGENCIES OF THE REPUBLIC OF HONDURAS AND THE UNITED STATES OF AMERICA

1. The National Port Authority of HONDURAS (ENP), represented by the Ministry of Economy, the Ministry of Communications, Public Works and Transportation representing the National Geographic Institute (IGN) and the Department of Defense of the UNITED STATES represented by the U.S. Naval Oceanographic Office (NAVOCEANO), the Defense Mapping Agency Hydrographic Center (DMAHC), the Defense Mapping Agency Inter American Geodetic Survey (DMA IAGS) agree under the terms of this Arrangement to participate in hydrographic surveys of the ports and coastal waters of the Republic of HONDURAS and to the publication of nautical charts of these areas. This joint cooperative effort is to be conducted under the theme of the Harbor Survey Assistance Program (HARSAP) of the United States Naval Oceanographic Office. The purpose of HARSAP and general instructions for conducting the surveys are provided in Attachment (1) and form a part of this Arrangement.

2. Under the terms of this Arrangement and subject to the availability of funds, the responsibilities of the participating agencies are as follows:

a. UNITED STATES DEPARTMENT OF DEFENSE PARTICIPATION:

(1) NAVOCEANO will provide:

(a) Technical advice during periodic visits to Honduras by the HARSAP Coordinator stationed in the Panama Canal Zone or by other technical personnel as available. Daily contact with the HAR SAP Coordinator can also be made during normal working hours through the DMA IAGS radio networks.

(b) Adequate technical equipment, as available, for tem-

porary use in conducting the hydrographic surveys, including the measurement of sea currents and the gathering of bottom samples.

(c) The necessary supply of technical materials required for conducting the hydrographic surveys, such as boat sheets, smooth sheets, and miscellaneous reference manuals and publications.

(d) Training of ENP personnel in the hydrographic disciplines in support of the programs as related to this Arrangement.

(2) DMAIAGS will provide:

(a) In-country liaison with the appropriate agencies through the DMAIAGS Project Office in HONDURAS.

(b) Technical assistance by a nautical cartographer in the compilation and color separation of the charts to be published.

(c) Materials required for compilation of nautical charts such as scribe coat, mylar and type.

(d) Logistics support in the shipping of technical materials and equipment to and from HONDURAS.

(e) Training of IGN personnel in the cartographic disciplines in support of the programs as related to this Arrangement.

(3) DMAHC will provide:

(a) Chart production technical assistance in the form of recommendations, comments, and editorial review of proofs for the charts to be published by IGN.

(b) Recommended standard chart symbols and abbreviations as shown in U.S. Chart No. 1 (Spanish equivalents for abbreviations to be substituted or added, if desired, by ENP and IGN).

(c) Reproduction of selected IGN charts for incorporation into the DMAHC distribution and sales system.

(d) Four-hundred (400) copies of charts of HONDURAS published by DMAHC to HONDURAS free of charge. (Two-hundred (200) copies for each agency participating under this Arrangement).

b. REPUBLIC OF HONDURAS PARTICIPATION:

(1) The National Port Authority will provide:

(a) A minimum of seven (7) individuals, including a supervisor, who will receive the necessary training in order to conduct the hydrographic surveys.

(b) Suitable boat or boats to be used in conducting the hydrographic surveys.

(c) Fuel, oil, lubricants and the necessary crew for the hydrographic boat.

(d) Other available facilities which may help the hydrographic group in performing its mission.

(e) Arrangements for duty-free customs clearance of technical equipment and materials into HONDURAS.

(f) Repayments of expenses incurred by IGN in establishing the necessary geodetic control, such as per diem and transportation, and other expenses mutually agreed upon by ENP and IGN.

(2) The National Port Authority assumes liability for the loss or damage to any technical equipment which may be made available pursuant to subparagraph 2.a.(1)(b) above.

(3) The National Geographic Institute will provide:

(a) The establishment and computations of the necessary geodetic control required for conducting the hydrographic surveys in accordance with HONDURAS' Hydrographic and Nautical Charts Plan.

(b) Facilities and office personnel for the compilation and color separation of each nautical chart.

(c) Prior to printing, a color proof to DMAHC through DMAIAGS for editing. DMAHC will return the color proof, through DMAIAGS to IGN with appropriate recommendations.

(d) Corrected reproducible materials (repmat) to DMAHC if requested by that agency for publication; also any subsequently acquired data that maintains the charts up-to-date.

(e) A total of twelve (12) copies of each chart produced under this arrangement to be distributed among NAVOCEANO, DMAIAGS, and DMAHC.

3. The areas to be surveyed will be selected by the Empresa Nacional Portuaria and through mutual agreement with the Instituto Geografico Nacional will jointly accomplish the work program.

4. IGN will retain all geodetic data and compilation/reproduction materials, ENP will retain all hydrographic/oceanographic survey data. The pertinent data will be made available, when requested, to all participating under this arrangement. NAVOCEANO will be provided a stable base copy of all smooth sheets at the conclusion of each provided survey. Related information for Sailing Directions or other publications will also be provided to NAVOCEANO and DMAHC will be accorded the privileges of access to the original data in the future if the need arises.

The Metric system will be used on charts prepared from these surveys.

The charts published by DMAHC from data obtained under this arrangement shall be bilingual (English and Spanish).

5. The status, privileges, rights and responsibilities of United States personnel, who may be present in the Republic of Honduras pursuant to this arrangement, and the processing and settlement of claims, which may arise out of the acts or omissions of such personnel done in the performance of official duty or any other act or omission or occurrence for which a participating agency of the United States Department of Defense may be legally responsible, shall be governed by the applicable provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961.^[1] United States personnel present in the Republic of Honduras pursuant to this arrangement shall be considered members of the administrative and technical staff of the

¹ TIAS 7502; 23 UST 3227.

United States mission in the Republic of Honduras within the meaning of the Vienna Convention on Diplomatic Relations and shall enjoy the privileges and immunities accorded by the Convention to such staff members.

6. This arrangement, of which two original versions in English and Spanish of equal legal strength are being signed, shall take effect upon signature by representatives of all participating agencies in the city of Tegucigalpa, Central District on Monday this 30th day of August 1976.

FOR THE GOVERNMENT OF
HONDURAS

VICENTE DIAZ

Lic. Vicente Diaz
Minister of Economy

Date: *Agosto 30, 1976*

MARIO FLORES THERESIN

Mario Flores Theresin
LTC, Infantry
Minister of Communications
Public Works and Transport.

Date: *Agosto 30, 1976*

FOR THE UNITED STATES DE-
PARTMENT OF DEFENSE
AGENCIE

JAMES E. AYRES

James E. Ayres
Captain, USN
Commander, U.S. Naval
Oceanographic Office.

Date: *30 August 1976*

SCOTT E DRUMMOND, JR

Scott E. Drummond, Jr.
Captain, USN.
Commander, U.S. Naval
Oceanographic Office.

Date: *30 August 1976*

JOHN W PARK JR.

John W. Park, Jr.
Colonel, USA
Director, Defense Mapping Agency
Inter American Geodetic Survey

Date: *30 August 1976*

ATTACHMENT 1**U.S. NAVAL OCEANOGRAPHIC OFFICE****GENERAL INSTRUCTIONS****HARBOR SURVEY ASSISTANCE PROGRAM
(HARSAP)****1. INTRODUCTION.**

1.1 Background. The Harbor Survey Assistance Program (HARSAP) provides for a U.S. Naval Oceanographic Office (NAVOCEANO) mission to assist other governments in conducting hydrographic surveys of harbors, harbor approaches and a coastal waters. The purpose of these surveys is to obtain information for the publication of accurate Nautical Charts and Sailing Directions and to provide technical training and guidance to personnel of the participating Government.

1.2 Purpose of Instructions. These instructions provide technical guidance for conducting geodetic and hydrographic surveys under the Harbor Survey Assistance Program.

2. TECHNICAL REQUIREMENTS.

2.1 Technical Operations. These surveys shall be accomplished within the limits of accuracy and in accordance with the instructions and procedures contained in the U.S. Naval Oceanographic Office Special Publication No. 4 (SP-4), the standard of the International Hydrographic Bureau (IHB), and the geodetic standard of the participating nation. Those parts of SP-4 referred to herein are contained in Annex A to this documents. The metric system will be used.

2.1.1 Geodetic Control. If possible, any control net established should be connected to at least two stations of first-order triangulation. If first-order stations are not available, two stations of the next-highest accuracy should be used.

2.1.1.1 Primary Horizontal Control. All primary triangulated and traverses established shall conform to at least third-order accuracy standards as described in SP-4(A-10201 and A-10202). All new stations shall be referenced and monumented, including sub-surface marks where practicable, and described in accordance with standard practice.

2.1.1.2 Secondary Horizontal Control. Stations to be used to control hydrographic and aids to navigation, such as lighthouses, tanks, etc., shall be observed in accordance with third-order standards.

All buoys should be positioned by at least three cuts from the main, or secondary, control stations.

Tangents shall be observed to all clearly defined points on shoreline

and reef, with proper description as to debris, high water line, vegetation line, or other descriptive feature.

2.1.1.3 Photogrammetric Control. The location of all control stations established or recovered shall be photo-identified on aerial photographs. These control stations are the basis upon which the final shoreline compilations are made, and it is imperative that they be photo-identified, in the field.

2.1.2 Hydrography.

2.1.2.1 Position Control. If electronic surveying systems are not available, control for hydrographic development will be by three-point sextant fix or from azimuth instrument bearings from shore stations. The probable error for each fix used for control of sounding lines shall not exceed 15 meters and no line shall be accepted that has more than two consecutively rejected fixes.

2.1.2.2 Soundings. Soundings shall be obtained by continuous recording echo-soundings equipment. Depth checks shall be taken at least two times during each day's operations to verify accuracy of all sonar depth soundings. Each depth check shall consist of a series of readings at 3-meter or 10-foot intervals to the maximum practical depth obtainable, not to exceed the maximum expected sounding depth for that day. The results of these comparison will be entered in the sounding journals.

Corrections for transducer depth, zero setting, current frequency fluctuation, and tide shall be entered in the sounding journal.

Soundings lines shall have a minimum spacing of 6 millimeters at the scale of development, except where depth and character of the bottom will permit wide spacing. Standard scales will be used (SP-4), (B-20303). Normally, fix interval and sounding interval will be as follows: however, fix intervals should not exceed 2 to 4 centimeters and the soundings interval should not exceed the line spacing:

<i>Scale of Development</i>	<i>Fix Interval</i>	<i>Sounding Interval</i>
1:10,000	1 min	15 sec
1:2,500	3 min	30 sec
1:40,000	5 min	1 min

Cross check lines shall be run normal to the direction of the regular sounding lines and at intervals no greater than 7.5 centimeters at the scale of development. Agreement at intersections of check soundings and regular soundings shall be within -0.5 meters from 0 to 21 meters, -1 meter from 21 to 100 meters, and -1% for all depths greater than 100 meters. Any which does not meet the above criteria shall be resounded.

On completion of area development, a recommended channel will be selected and a minimum of four sounding lines shall be run along its entire length.

2.1.2.3 Survey of Piers. Hand lead soundings shall be taken every 6 meters along the face or piers, using taped distances. Additional lines of soundings shall be run parallel to the piers at distances of 6, 12 y 18

meters. Pier dimensions and the azimuth of the axis of piers shall be carefully measured.

2.1.2.4 Shoal investigation. The area where a shoal is found or where the existence of a shoal is suspected shall be sounded by a series of closely spaced lines until it is certain that the least depth has been found and accurately positioned.

2.1.3 Tide Observations. If a permanent tide gage is not located in the vicinity, a portable tide gage shall be established and maintained throughout the survey period (at least 29 days). All soundings shall be referenced to the same tidal datum as that of the largest scale chart in the area.

A tide staff should be established with any portable gage and tied to two or more bench marks by differential leveling. All leveling shall be in accordance with standard for third-order accuracy (SP-4, A-10303), and level line shall be double run or closed loops.

2.1.4 Bottom Samples. Bottom samples shall be obtained at 7.5 centimeter square intervals at the scale of development to a depth of 31 meters. The bottom samples data records must be correlated by a fix number on the boat sheet and the sounding journal, and must identify the type of sediment.

2.1.5 Current Observations. Current observations shall be made in the ship channels and in other areas indicated in the surveys specifications. For each current stations, at least 48 hours of continuous observations are to be made during the periods of springs and neap tide. Preferably, the current meter shall be submerged to one-half the draft of the largest ship entering the harbor.

2.1.6 Aids and Danger to Navigation. Dangers discovered during the survey shall be reported by message to the U.S. Naval Oceanographic Office, Washington, D.C.

2.1.6.1 Sailing Directions. Complete new sailing directions for harbor and approaches shall be written. Existing sailing directions for the survey area should be used as a guide in preparing the new directions. Photographs of coasts, harbor approaches (including port panoramas) landmarks, and navigational features and aids will be taken to fulfill requirements for the sailing directions.

3. DATA REDUCTION REPORTS.

3.1 Data Reduction. Records of all survey and observational data obtained shall be processed as rapidly as possible and to the fullest degree practicable with the object of identifying, in the scene, any work that must be repeated because of failure to meet desired standards.

ANNEX A

U.S. NAVAL OCEANOGRAPHIC OFFICE
HORIZONTAL CONTROL

A-10201 TRIANGULATION.

(1) The limits of accuracy required for first, second and third-order triangulation are listed in the following table:

REQUIREMENTS FOR HORIZONTAL CONTROL.

TRIANGULATION			
Item	First Order ¹	Second Order ²	Third Order
Strength of figure:			
Desirable limit, R_1 between bases	80	100	125
Maximum limit, R_1 between bases	110	130	175
Desirable limit, R_1 single figure	15 ($R_2=50$)	25 ($R_2=80$)	25 ($R_2=120$)
Maximum limit, R_1 single figure	25 ($R_2=80$)	40 ($R_2=120$)	50 ($R_2=150$)
Discrepancy between computed length and measured length of base or adjusted length of check line, not to exceed	1 in 25,000	1 in 10,000	1 in 5,000
Triangle closure:			
Average, not to exceed	1 sec	3 sec	5 sec
Maximum, not to exceed	3 sec	5 sec	10 sec
Side checks:			
Regular quadrilaterals.			
Maximum difference of sides in unit of diff. of 1 sec. in sixth place of log sine of smallest angle involved.	2 times dif	4 times dif	
Side equation test:			
Approximate average correction to a direction, not to exceed	0.4 sec	0.8 sec	
Usual number of observations:			
Position with 0.2 sec. direction theodolite	16	8	4
Position with 1 sec. direction theodolite	24	8	4

Base measurement:			
Probable error of base not to exceed	1 in 1:000,000	1 in 500,000	1 in 250,000
Discrepancy between two measures of a section not to exceed	10 mm	20 mm	25 mm
Astronomical azimuth, probable error of result, not to exceed	0.3 sec	0.5 sec	2.0 sec

1.2 Classes III and II U.S. Triangulation Standards for First and Second Orders.

A-10202 TRAVERSE.

(1) Control surveys by traverse should be executed with an accuracy comparable with that of triangulation of a corresponding gage. The limits of accuracy for first-second and third-order are given below:

TRAVERSE			
Item	First Order ¹	Second Order ²	Third Order
Closing error in position, not to exceed	1 in 25,000	1 in 10,000	1 in 5,000
Probable error of main schematic angles	1.5 sec	3.0 sec	6.0 sec
Number of stations between astronomical azimuths	10 to 15	15 to 25	20 to 35
Correction for azimuth closure discrepancy per main angle	1.0 sec	2.0 sec	5.0 sec
Astronomical azimuth, probable error or result	0.5 sec	2.0 sec	5.0 sec

HYDROGRAPHY

B-20303 SCALE OF SURVEY

- (1) In general never less than that of the published chart and preferably.
- (2) For rivers, lakes, harbors, channels, and pilot waters:
 - (a) Multiples of 1:1000 for scales to 1:10,000
 - (b) Multiples of 1:25000 for scales from 1:10,000 to 1:20,000•
- (3) For coast and oceans:
 - (a) Depths generally less than 60 meters: 1:50,000 or larger
 - (b) Depths generally less than 200 meters: 1:100,000 or larger
 - (c) Depths generally greater than 200 meters: 1:250,000 or larger

VERTICAL CONTROL**A-10303 THIRD-ORDER LEVELING.**

(1) Third-order leveling may be used in subdividing loops of first-order or second-order leveling, where additional control, may be required. Third-order lines should not extend more than 30 miles from lines of first or second order; they may be single-run lines but must always be loops or circuits closed upon lines of equal or higher order. Closing checks are not to exceed 12 mm kilometers in circuits or 0.05 foot miles in circuit.

**CONVENIO PARA LEVANTAMIENTOS HIDROGRAFICOS Y
CARTOGRAFIA NAUTICA ENTRE INSTITUCIONES DE LA
REPUBLICA DE HONDURAS Y LOS ESTADOS UNIDOS DE
AMERICA**

1. La Empresa Nacional Portuaria (E.N.P.), representada por el Ministerio de Economía, el Ministerio de Comunicaciones, Obras Públicas y Transporte de Honduras en representación del Instituto Geográfico Nacional (IGN) y el Departamento de Defensa de los Estados Unidos a través de el U.S. Naval Oceanographic Office (NAVOCEANO), el U.S. Defense Mapping Agency Hydrographic Center (DMAHC) y el U.S. Defense Mapping Agency Inter American Geodetic Survey (DMAIAGS) acuerdan bajo los siguientes términos de este Convenio, participar en los levantamientos hidrográficos de los puertos y aguas costaneras de la República de Honduras y la publicación de cartas náuticas. Este esfuerzo de cooperación conjunta será conducido bajos los auspicios del Programa de Asistencia de Levantamientos Portuarios (HARSAP) del U.S. Naval Oceanographic Office. El propósito y las instrucciones generales de HARSAP se presentan en el Apéndice (1) y forman parte de este Convenio:

2. Bajo los términos de este Convenio y sujetos a la disponibilidad de fondos, las responsabilidades de las instituciones participantes son las siguientes:

a. PARTICIPACION DEL DEPARTAMENTO DE DEFENSA DE ESTADOS UNIDOS:

(1) NAVOCEANO proporcionará:

(a) La asistencia técnica en forma de visitas periódicas a Honduras por el Coordinador del Programa HARSAP radicado en la Zona del Canal de Panamá, o por otro personal técnico disponible. También se puede obtener comunicación diaria con el mencionado Coordinador, durante las horas normales de trabajo mediante la red de radio del DMAIAGS.

(b) Equipo técnico adecuado, en calidad de préstamo o arriendo y siempre que se tenga disponible, para llevar a cabo los levantamientos hidrográficos incluyendo la medición de corrientes y la toma de muestras de fondo.

(c) El abastecimiento de los materiales técnicos necesarios para conducir los levantamientos tales como: hojas de campo, hojas finales, diversos manuales de referencia y publicaciones.

(d) Adiestramiento al personal de la ENP en las disciplinas hidrográficas para el apoyo de los programas hidrográficos involucrados en este Convenio.

(2) El DMAIAGS proporcionará:

(a) Nexo y coordinación con las correspondientes agencias a través del Proyecto del DMAIAGS en Honduras.

(b) La asistencia técnica, por un cartógrafo náutico, en la

TIAS 9390

compilación y separación de colores de las cartas para publicar.

(c) Materiales necesarios para la compilación de Cartas Náuticas, tales como: hojas de grabado, mylar y tipos.

(d) Apoyo Logístico en el despacho de material técnico desde o hacia Honduras.

(e) Adiestramiento al personal del IGN en las disciplinas cartográficas para el apoyo de los programas cartográficos involucrados en este Convenio.

(3) El DMAHC proporcionará:

(a) La asistencia técnica en producción de cartas en forma de recomendaciones, comentarios y revisión editorial de las pruebas de colores de las cartas a publicarse por el IGN.

(b) Recomendaciones sobre símbolos y abreviaturas para las cartas de acuerdo con la carta No. 1 de Estados Unidos (las abreviaturas en inglés podrán ser substituidas o añadidas por equivalentes en español según el deseo de la ENP y el IGN).

(c) Reproducción de cartas selectas del IGN para la incorporación en el sistema de distribución y ventas del DMAHC.

(d) Cuatrocientas (400) copias de las cartas de Honduras publicadas por el DMAHC libre de costo para el país. (Doscientas (200) copias para cada institución participante en este Convenio.

b. PARTICIPACION DE LA REPUBLICA DE HONDURAS.

(1) La Empresa Nacional Portuaria proporcionará:

(a) Un mínimo de siete (7) individuos, incluyendo un jefe de brigada, los cuales recibirán el adiestramiento necesario para realizar los estudios hidrográficos.

(b) Embarcación o embarcaciones apropiadas las cuales serán usadas para conducir dichos levantamientos.

(c) Combustibles, lubricantes y tripulaciones necesarias para las embarcaciones hidrográficas.

(d) Otras facilidades disponibles las cuales puedan ayudar al grupo hidrográfico cumplir con su misión.

(e) Los arreglos necesarios para que el equipo técnico y materiales entren al país libre de impuestos.

(f) Reembolso de los gastos en que incurra el IGN en el establecimiento del control geodésico necesario, tales como: viáticos, gastos de transporte y cualquier otro gasto que haya sido acordado de común acuerdo entre la ENP y el IGN.

(2) La Empresa Nacional Portuaria, asume la responsabilidad por las pérdidas o daños de cualquier equipo técnico que sea proporcionado de conformidad con su artículo 2.a. (1)(b) arriba mencionado.

(3) El Instituto Geográfico Nacional proporcionará:

(a) El establecimiento de estaciones geodésicas y el correspondiente cómputo, necesario para controlar los levantamientos de acuerdo con el Plan Hidrográfico y de Cartas Náuticas de Honduras.

(b) Facilidades y personal de oficina para la compilación y separación de colores de cada carta náutica.

(c) Anterior a la impresión, una prueba de color al DMAHC, a través del DMA IAGS, con fines de editarse, DMAHC, a través del DMAI AGS regresará dicha prueba al IGN con recomendaciones a que diera lugar.

(d) El material de reproducción, ya corregido, al DMAHC si es solicitado por esta agencia con el propósito de publicar la carta; además que cualquier otros datos adquiridos que ayuden a mantener la carta al día.

a. (1) (e) Un total de doce (12) ejemplares a NAVOCEANO, DMA IAGS, y DMAHC de carta publicada bajo este Convenio.

3. Las áreas a ser levantadas serán seleccionadas por la Empresa Nacional Portuaria y por mutuo acuerdo con el Instituto Geográfico Nacional se elaborarán los programas de trabajo.

4. Todos los datos originales serán conservados por la ENP y el IGN en la forma siguiente:

La información correspondiente a las estaciones de triangulación, compilación y material de reproducción en el IGN y datos de sondeos en la ENP. Teniendo acceso a ese material ambas partes cuando lo considere necesario, entendiéndose que se proveerá a NAVOCEANO, una copia en material estable de todas las hojas originales del levantamiento a la terminación de cada proyecto. También se incluirá información relativa para derroteros y otras publicaciones náuticas. Si surgiera la necesidad, NAVOCEANO, DMAHC y DMA IAGS tendrán en el futuro el privilegio de acceso a la información original de los programas en que hayan participado bajo este Convenio. Se utilizará el sistema métrico en las cartas preparadas de estos levantamientos. Las cartas publicadas por el DMAHC utilizando datos obtenidos bajo este Convenio, serán bilingües (inglés y español).

5. El status, privilegios, derechos y responsabilidades del personal de los Estados Unidos que pueda venir a la República de Honduras a consecuencia de este Convenio, y los procesos o reclamos que puedan resultar por actos y omisiones de tal personal en la ejecución de sus obligaciones oficiales o cualquier otro acto u omisión y ocurrencia en la cual un participante de las Agencias del Departamento de Defensa de los Estados Unidos pudiera hacerse legalmente responsable, deberá tratarse por medio de las disposiciones aplicables de la Convención de Viena sobre Relaciones Diplomáticas de 1961 para aquel personal venido a la República de Honduras a consecuencia de este Convenio, cuyos integrantes deberán ser considerados miembros de la misión técnica y administrativa de los Estados Unidos y gozarán de los privilegios e inmunidades acorde a lo establecido en la misma Convención.

6. Este Convenio entrará en vigencia al ser firmado por los Representantes de las Agencias participantes, en fé de lo cual lo firman en dos originales en español e inglés, de igual fuerza legal, en la ciudad de

Tegucigalpa, Distrito Central, el día Lunes treinta de agosto de mil novecientos setenta y seis.

POR EL GOBIERNO DE
HONDURAS

VICENTE DIAZ

Lic' Vicente Diaz
Ministro de Economía

Fecha: *Agosto 30, 1976*

TTE. CNEL de ING. D.E.M.

MARIO FLORES THERESIN

Mario Flores Theresin
*Ministro de Comunicaciones
Obras Públicas y Transporte.*

Fecha: *Agosto 30, 1976*

POR LAS AGENCIAS DEL
DEPARTAMENTO
DEFENSA DE LOS ESTADOS
UNIDOS.

JAMES E. AYRES

James E. Ayres
*Captain, USN
Commander, U.S. Naval Oceanographic Office.*

Fecha: *30 August 1976*

SCOTT E. DRUMMOND, JR.

Scott E. Drummond, Jr.
*Captain, USN
Director, Defense Mapping Agency
Hydrographic Center*

Fecha: *30 August 1976*

JOHN W PARK, JR.

John W. Park, Jr.
*Colonel, CE. USA.
Director, Defense Mapping Agency
Inter American Geodetic Survey.*

Fecha: *30 August 1976*

Apéndice (1)**U.S. NAVAL OCEANOGRAPHIC OFFICE****INSTRUCCIONES GENERALES****HARBOR SURVEY ASSISTANCE PROGRAM
(HARSAP)****1. INTRODUCCION**

1.1 Historial. El Harbor Survey Assistance Program (HARSAP) provee que una misión de la U.S. Naval Oceanographic Office (NAV OCEANO) es asistir a otros gobiernos en llevar a cabo levantamientos hidrográficos de sus puertos, aproximaciones a los puertos y aguas costaneras. El propósito de estos levantamientos es obtener información para la publicación de Cartas Náuticas precisas y Derroteros y para proveer adiestramientos y consejos técnicos al personal de los Gobiernos participantes.

1.2 Propósitos de estas Instrucciones. Estas instrucciones proveen consejos técnicos para conducir levantamientos geodésicos e hidrográficos bajo el Programa HARSAP.

2. REQUERIMIENTOS TECNICOS.

2.1 Operaciones Técnicas. Estos levantamientos deben ser cumplidos dentro de los límites de exactitud y en acuerdo con las instrucciones y procedimientos nombrados en la Publicación Especial H.O. No. 4 (SP-4), bajo las normas del Bureau Internacional de Hidrografía (IHB) y bajo las normas geodésicas del país participante. Las porciones del SP-4 aquí referidas están incluidas en el Anexo A de este documento. Se usará el sistema métrico.

2.1.1 Control Geodésico. Cualquier red de control establecida debe de ser atada a un mínimo de dos estaciones de triangulación de primer orden, si es posible. Cuando estaciones de primer orden no están disponibles, dos estaciones de la mayor exactitud deben ser usadas.

2.1.1.1 Control Horizontal Primario. Todas las triangulaciones y poligonales principales que sean establecidas deben de estar conforme con exactitudes de tercer orden según se describen en el Sp-4 (A-10201 hasta A-10202). Todas las estaciones nuevas deben de ser referenciadas y monumentadas, incluyendo marcas bajo la superficie cuando es posible y deben de ser descritas de acuerdo con normas establecidas.

2.1.1.2 Control Horizontal Secundario. Estaciones que se usarán para controlar los levantamientos hidrográficos y ayudas a la navegación tales como faros, tanques, etc. deben de ser observadas de acuerdo con normas de tercer orden. Las posiciones de todas las boyas se debe de determinar por medio de tres observaciones desde estaciones primarias ó secundarias de control.

Líneas tangentes a puntos definidos en la costa y acrecifes deben de ser observados y se deben de describir propiamente indicando escombros, nivel más alto del agua, nivel de vegetación u otros rasgos distintivos.

2.1.1.3 Control Fotogramétrico. La posición de todas los puntos de control establecidos ó recuperados deben de ser identificados en fotografías aéreas. Estos puntos de control determinan la compilación correcta de la linea de costa final y es imperativo que sean identificados en las fotografías en el campo.

2.1.2 Hidrografía.

2.1.2.1 Control de Posiciones. Cuando sistemas electronicos de posición para levantamientos no estan disponibles, el control de los levantamientos hidrográficos se llevaran a cabo por medio de posiciones obtenidas por sextantes, utilizando tres puntos ó por angulos obtenidos por instrumentos acimutales ubicados en puntos terrestres. El error probable de cada posición usada para controlar las líneas de sondeos no debe de sobrepasar de 15 metros y ninguna línea debe ser aceptada si la línea contiene más de dos posiciones consecutivas erróneas.

2.1.2.2 Sondeos. Sondeos se obtendrán por eco-sondas de grabación continua. Comprobaciones de plato ó calibraciones se tomarán dos veces durante los días de operaciones para verificar la exactitud de los equipos de sondeos. Cada comprobación consistirá de una serie de intervalos de 3 metros 0 10 pies hasta arrivar a la profundidad máxima la cual se estima que será encontrada ese día. Los resultados de éstas comparaciones serán anotadas en las libretas de sondeos.

Correcciones de profundidad del transductor, cero de grabación, velocidad del motor y mareas también debe de ser anotadas en las libretas de sondeos.

Líneas de sondeos deben de ser espaciadas a 6 milímetros en la escala del levantamiento, excepto donde las profundidades y la configuración del fondo permitan mejor espaciamiento. Se usarán escalas normales (SP-4, B-20303). Normalmente, los intervalos de posición y los intervalos de sondeos serán los siguientes, sin embargo, los intervalos de posición no deben de ser mayor de 2 a 4 centímetros y los intervalos de sondeos no deben ser mayor que el espacio entre líneas de sondeos.

<i>Escala de Levantamiento</i>	<i>Intervalos de Posición</i>	<i>Intervalo de Sondeo</i>
1:10,000	1 minuto	15 segundos
1:25,000	3 minutos	30 segundos
1:40,000	5 minutos	1 minuto

1:10,000	1 minuto	15 segundos
1:25,000	3 minutos	30 segundos
1:40,000	5 minutos	1 minuto

Líneas de comprobación de sondeos cruzarán las líneas principales de Sondeos a un angulo de noventa grados y en intervalos no mayores de 7.5 centímetros en la escala del levantamiento. Sondeos en los cruces entre las líneas principales y las líneas de comprobación deben de concordar entre los límites de -0.5 metros desde 0 a 21 metros, -1.0 metros desde a 21 a 100 metros y -1 o/o en todas las profundida-

dades mayores de 100 metros. Cualquier linea de sondeo que no entre en este criterio tiene que ser resondeada.

Una vez que he terminado el levantamiento, el mejor lugar para un canal será seleccionado y un mínimo de cuatro líneas de sondeos serán recorridas en su completa longitud.

2.1.2.3 Levantamiento de Muelles. Sondeos serán tomados, con una sondaleza de mano, cada 6 metros a todo lo largo de los muelles usando distancias previamente medidas. Líneas adicionales de sondeos deben correr paralelo a los muelles a distancias de 6, 12 y 18 metros. La dimensión y el eje de acimut de los muelles deben ser determinadas cuidadosamente.

2.1.2.4 Investigación de Bajíos. Las áreas donde existen bajíos o donde se sospecha la existencia de un bajío, serán sondeadas por medio de una serie de líneas de espacio cerrado hasta que exista la seguridad de que la profundidad menor ha sido registrada y localizada en precisión.

2.1.3 Observaciones de Mareas. Si un mareógrafo permanente no está situado en la vecindad, un mareógrafo portátil será establecido y mantenido durante el período del levantamiento (o mínimo de 29 días). Todos los sondeos serán reducidos al mismo datum de mareas que el que aparece en la carta de mayor escala de la área.

Una regla de marea debe ser atada a dos o más marcas geodésicas por medio de nivelación diferencial. Todas las nivelaciones deben de estar de acuerdo con normas de tercer orden (SP-4, A-10303) y las líneas de nivel deben ser de los métodos de ida y vuelta o de circuito cerrado.

2.1.4 Muestras de Fondo. Muestras de fondo deben ser obtenidas en intervalos de una muestra en cada cuadro de 7.5 centímetros en la escala del levantamiento hasta un máximo de 31 metros de profundidad. La libreta de las muestras de fondo debe estar de acuerdo con el número de posición en la hoja de campo y la libreta de sondeos y debe de describir el tipo de sedimento.

2.1.5 Observaciones de Corrientes. Observaciones de corrientes, serán hechas en el canal de barcos y en otras áreas indicadas en las especificaciones del levantamiento. Observaciones continuas de no menos de 48 horas serán hechas en cada estación de corriente durante los períodos de marea de siccias (Spring tide) y de marea de cuadratura (neap tide). Es preferible que el medidor sea sumergido a la media profundidad del calado del barco de mayor tonelaje que puede entrar al puerto.

2.1.6 Ayudas y Peligros a la Navegación. Peligros encontrados durante el levantamiento deben ser reportados por mensajes al U.S. Naval Oceanographic Office en Washington, D.C.

2.1.6.1 Derroteros. Nuevos derroteros del puerto y de las aproximaciones deben ser escritos. Derroteros existentes de la área de levantamiento deben ser usados como guía en la preparación de los nuevos derroteros. Fotografías de las costas, aproximación del puerto (incluyendo panorama del puerto), puntos característicos del terreno,

objetos y ayudas a la navegación serán tomadas para cumplir con los requisitos del uso maximo de fotografías en los derroteros.

3. REDUCCION DE DATOS Y REPORTES.

3.1 Reducción de datos. Todos los documentos y observaciones obtenidas serán procesados lo más pronto posible y hasta el nivel más práctico con el propósito de identificar en el campo, cualquier parte del trabajo que debe ser repetido por no cumplir con las normas deseadas.

Anexo A

U.S. NAVAL OCEANOGRAPHIC OFFICE (HARSAP)

PÁRRAFOS REFERIDOS - PUBLICACIÓN ESPECIAL NO. 4 (SP-4)

CONTROL HORIZONTAL.

A-10201 TRIANGULACION.

(1) Los límites de exactitud requeridos por triangulaciones de primer, segundo y tercer orden se encuentran en la siguiente tabla:

REQUERIMIENTOS PARA CONTROL HORIZONTAL TRIANGULACION.

	<i>Primer Orden</i> ¹	<i>Segundo Orden</i> ²	<i>Tercer Orden</i> ³
Fuerza de la figura:			
Límites deseado, R_1 entre bases	80	100	125
Límite Máximo, R_1 entre bases	110	130	175
Límite deseado, R_1 figura simple	15 ($R_2=50$)	25 ($R_2=80$)	25 ($R_2=120$)
Límite máximo, R_1 figura simple	25 ($R_2=80$)	40 ($R_2=120$)	50 ($R_2=150$)
Discrepancia entre distancias calculada y distancia medida o la distancia ajustada de la línea de comprobación, no más de	1 en 25,000	1 en 10,000	1 en 5,000
Cierre de Triángulo:			
Promedio, no mayor de	1 seg	3 seg	5 seg
Máximo, no mayor de	3 seg	5 seg	10 seg
Comprobación de los lados: Quadriláteros regulares.			

Diferencia máxima de los lados de unidades de diferencia de 1 segundò, en seis figuras, del seno logarísmico de lángulo más pequeño	2 x diferencia	4 x diferencia	
Prueba de ecuación de los lados			
Promedio de la corrección aproximada a una dirección, no mayor de	0.4 seg.	0.8 seg.	
Número de observaciones, usualmente:			
Posiciones con teodolito de 0.2 seg.	16	8	
Posiciones con teodolito de 1.0 seg.	24	8	
Medidas de líneas de base:			
Error probable de base, no mayor de	1 en 1,000.000	1 en 500.000	
Discrepancia entre dos medidas de una sección, no mayor de	10 mm	20 mm	
Azimut astronómica, resultado de error probable, no mayor de	0.3 seg	0.5 seg	
NOTAS: 1, 2—Clases III y II de Normas de Triangulación de E.U. para primer y segundo orden.		2.0 seg	
A-10202 POLIGONALES.			
(1) Establecimiento de poligonales controladas debe de ser ejecutados con una exactitud comparable de triangulación de un grado correspondiente. Los límites de exactitud de primer segundo y tercer orden son los siguientes:			
POLIGONALES.			
	<i>Primer Orden</i> ¹	<i>Segundo Orden</i> ²	<i>Tercer Orden</i>
Error de cierre de posiciones no mayor de	1 en 25.000	1 en 10,000	1 en 5,000
Error probable de los ángulos de la esquema principal	1.5 seg	3.0 seg	6.0 seg
Número de estaciones entre azimut astronómico	10 a 15	15 a 25	20 a 35

Correcciones para cierre azimutal discrepancia por cada ángulo principal	1. 0 seg	2. 0 seg	5. 0 seg
---	----------	----------	----------

Azimut astronomico, error probable 6 resultado	0. 5 seg	2. 0 seg	5. 0 seg
--	----------	----------	----------

HIDROGRAFIA

B-2-3-3- ESCALA DE LEVANTAMIENTOS.

- (1) En general, nunca menor que la escala de publicidad, de la carta y preferiblemente:
- (2) Para ríos, lagos, bahías, canales y aguas de practicaje:
 - (a) Multiples de 1:1,000 hasta 1:10,000
 - (b) Multiples de 1:2,500 para escalas de 1:10,000 a 1:20,000
- (3) Para Costas y océanos
 - (a) Profundidades, generalmente, menos de 60, metros: 1:50,000 ó mayor
 - (b) Profundidades, generalmente menos de 200 metros: 1:100.-000 ó mayor
 - (c) Profundidades, generalmente mayor de 200 metros: 1:250.-000 o mayor.

CONTROL VERTICAL.

A-10302 NIVELACION DE TERCER ORDEN.

(1) Nivelación de tercer orden puede ser usada para subdividir circuitos cerrados de primer y segundo orden, donde control adicional sea requerido. Lineas de tercer orden no deben de extenderse más de 30 millas desde las lineas de primer orden y segundo orden pueden ser lineas singulares pero siempre tienen que ser circuitos cerrados sobre limites de lineas de igual o mayor orden.

Comprobaciones de cierre no deben ser mayor de 12mm kilómetros en circuitos ó 0.05 pies millas en circuito.

JAPAN

Criminal Investigations

*Agreement effected by exchange of letters
Signed at Tokyo and Washington January 20 and 22, 1979;
Entered into force January 22, 1979.*

*The Japanese Director-General, Criminal Affairs Bureau, Ministry
of Justice, to the Assistant Attorney General, Criminal Division*

MINISTRY OF JUSTICE

1-1 KASUMIGASEKI CHIYODA-KU
TOKYO JAPAN

REFERENCE NO.:

January 20, 1979

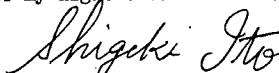
Philip B. Heymann, Esquire
Assistant Attorney General
Criminal Division
Department of Justice
Washington D.C., 20530,
U.S.A.

Dear Mr. Assistant Attorney General:

I have the honor to refer to the Procedures for Mutual Assistance in Administration of Justice in Connection with the Lockheed Aircraft Corporation Matter signed in Washington on March 23, 1976.^[1] I have further the honor to propose, on behalf of the Ministry of Justice of Japan, that the operation of the aforementioned Procedures be extended, by the exchange of this letter and your affirmative reply thereto, to include alleged illicit acts pertaining to the activities in Japan of the McDonnell Douglas Corporation and the Grumman Corporation and their subsidiaries and affiliates, and that such extension become effective on the date of your affirmative reply.

In the case of such extension, the Ministry of Justice of Japan and the Department of Justice of the United States of America will exchange information relating to the McDonnell Douglas Corporation and the Grumman Corporation matters under the same terms and conditions as those contained in the aforementioned Procedures.

Please accept assurances of my highest consideration.


Shigeki Ito
Director-General
Criminal Affairs Bureau
Ministry of Justice
Japan

¹ TIAS 8233; 27 UST 946.

*The Assistant Attorney General, Criminal Division, to the Japanese
Director-General, Criminal Affairs Bureau, Ministry of Justice*

UNITED STATES DEPARTMENT OF JUSTICE
ASSISTANT ATTORNEY GENERAL
CRIMINAL DIVISION
WASHINGTON, D.C. 20530

JANUARY 22, 1979

Honorable SHIGEKI ITO
*Director-General
Criminal Affairs Bureau
Ministry of Justice
Japan*

DEAR MR. DIRECTOR-GENERAL:

I have the honor to acknowledge receipt of your letter of January 20, 1979, which reads as follows:

"I have the honor to refer to the Procedures for Mutual Assistance in Administration of Justice in Connection with the Lockheed Aircraft Corporation Matter signed in Washington on March 23, 1976.

I have further the honor to propose, on behalf of the Ministry of Justice of Japan, that the operation of the aforementioned procedures be extended by the exchange of this letter and your affirmative reply thereto, to include alleged illicit acts pertaining to the activities in Japan of the McDonnell Douglas Corporation and the Grumman Corporation and their subsidiaries and affiliates, and that such extension become effective on the date of your affirmative reply.

In the case of such extension, the Ministry of Justice of Japan and the Department of Justice of the United States of America will exchange information relating to the McDonnell Douglas Corporation and the Grumman Corporation matters under the same terms and conditions as those contained in the aforementioned procedures.

Please accept assurances of my highest consideration."

In reply, I have the honor to inform you, on behalf of the Department of Justice of the United States of America, that your proposals are acceptable to the Department of Justice.

Therefore, the operation of the Procedures for Mutual Assistance in Administration of Justice in Connection with the Lockheed Aircraft Corporation Matter signed in Washington on March 23, 1976 shall be extended to include alleged illicit acts pertaining to the activities in Japan of the McDonnell Douglas Corporation and the

Grumman Corporation and their subsidiaries and affiliates and such extension shall become effective on the date of this letter.

Please accept assurances of my highest consideration.

Sincerely,

PHILIP B. HEYMANN

Philip B. Heymann
Assistant Attorney General
Criminal Division

TOGO
Criminal Investigations

*Agreement signed at Washington January 30, 1979;
Entered into force January 30, 1979.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE
BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE
AND THE MINISTRY OF JUSTICE OF THE REPUBLIC OF
TOGO IN CONNECTION WITH MATTERS RELATING TO THE
GULFSTREAM AMERICAN CORPORATION, FORMERLY KNOWN
AS GRUMMAN AMERICAN AVIATION CORPORATION

The United States Department of Justice and the Ministry of Justice of The Republic of Togo, herein-after 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 The Republic of Togo of the Gulfstream American Corporation, formerly known as Grumman American Aviation 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 The Republic of Togo of the Gulfstream American Corporation, formerly known as Grumman American Aviation 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.

In the event of breach of confidentiality the other party may discontinue cooperation under these procedures.

5. Information made available pursuant to these procedures may be used freely in ensuing legal proceedings in the requesting state in which an agency having law enforcement responsibilities is a party, and the parties shall use their best efforts to furnish the information for purposes of such legal proceedings in such form as to render it admissible pursuant to the rules of evidence in existence in the requesting state, including, but not limited to, certifications, authentications, and such other assistance as may be necessary to provide the foundation for the admissibility of evidence.

6. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 5, of any information made available pursuant to these procedures.

TIAS 9401

7. Upon request, a requested party shall render, in accordance with the practice and procedure of the requested state, assistance to the law enforcement agencies of the requesting state, such as locating witnesses, interviewing of witnesses, taking of testimony or statements or the production of documents or other materials. Representatives of the requesting state may participate in the execution of the request if the competent authority of the requested state consents.

The requesting party shall not pursue its request for an interview or for the production of documents and other materials if the requested party considers that it would interfere with an ongoing investigation or proceeding being conducted by the authorities of the requested state.

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

9. The assistance to be rendered to a requesting state shall not be required to extend to such acts as might result in the immunization of any person from prosecution in the requested state.

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

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

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

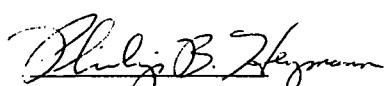
13. An extension of this Agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by the Ministry of Justice of The Republic of Togo could be accomplished by an exchange of letters between the parties.

14. This Agreement shall enter into force on the date of signature by both parties.

Done at Washington, D.C., this 30th day of January, 1979, in two originals in the English and French languages, both texts being equally authentic.

For the United States
Department of Justice:

For the Ministry of
Justice of The
Republic of Togo:



Philip B. Heymann,
Assistant Attorney General



Messanvi Kokou Kekeh,
Ambassador

ACCORD SUR LES PROCEDURES D'ASSISTANCE MUTUELLE
CONCLU ENTRE LE MINISTERE DE LA JUSTICE DES ETATS-UNIS
ET LE MINISTERE DE LA JUSTICE DE LA REPUBLIQUE TOGOLAISE
RELATIVEMENT A DES QUESTIONS CONCERNANT LA GULFSTREAM
AMERICAN CORPORATION, ANCIENNE "GRUMMAN AMERICAN AVIATION
CORPORATION"

Le Ministère de la Justice des Etats-Unis et le Ministère de la Justice de la République togolaise, ci-après dénommés "les Parties", confirment les procédures ci-dessous relatives à l'assistance mutuelle devant être apportée aux organismes dotés de pouvoirs judiciaires dans leur pays respectif en ce qui concerne les actes illicites allégués comme ayant été commis dans le cours de négociations de ventes en République togolaise par la Gulfstream American Corporation, dont l'ancienne raison sociale était "Grumman American Aviation Corporation", par ses filiales ou par des sociétés affiliées:

- 1) Toutes les demandes d'assistance doivent être communiquées d'une Partie à l'autre par les voies diplomatiques, sauf accord contraire.
- 2) Sur demande, les Parties doivent faire tout leur possible pour mettre à la disposition l'une de l'autre des informations pertinentes et matérielles, tels des déclarations, dépositions, documents, dossiers d'affaires, correspondance ou autres pièces, dont elles disposent et qui concernent des actes illicites allégués ayant trait à des négociations de ventes en République togolaise par la Gulfstream American Corporation, ancienne "Grumman American Aviation Corporation", par ses filiales ou par des sociétés affiliées.
- 3) Lesdites informations doivent être utilisées exclusivement aux fins d'enquête effectuée par des organismes dotés de pouvoirs judiciaires et dans le cadre de poursuites au criminel au civil, ou d'ordre administratif qui en résulteraient, lesdites poursuites étant dénommées ci-après "poursuites juridiques".

4) Sauf dispositions prévues au paragraphe 5, toutes lesdites informations mises à la disposition d'une Partie par l'autre en application des procédures énoncées dans les présentes et toute la correspondance échangée par les Parties relativement auxdites informations et à l'application desdites procédures devront rester confidentielles et ne devront pas être divulguées à des tierces parties ou à des organismes gouvernementaux n'étant pas dotés de pouvoirs judiciaires. La divulgation à d'autres organismes dotés de pouvoirs judiciaires sera subordonnée à l'acceptation par l'organisme destinataire des conditions énoncées dans les présentes.

En cas de rupture du secret, l'autre Partie peut mettre fin à la coopération qu'elle assure au titre des procédures stipulées aux présentes.

5) Les informations rendues disponibles en application des procédures stipulées au présent accord peuvent être utilisées librement dans des poursuites juridiques subséquentes dans l'Etat demandeur auxquelles un organisme doté de pouvoirs judiciaires est partie et les Parties devront faire tout leur possible pour fournir les renseignements aux fins desdites poursuites juridiques dans les formes les rendant admissibles conformément aux règles en vigueur dans l'Etat demandeur, relativement aux preuves à fournir notamment, mais sans s'y limiter, en ce qui concerne les attestations, légalisations et autres formalités remplies à titre d'assistance suivant les besoins pour établir le fondement d'admissibilité des preuves à fournir.

6) Les Parties doivent donner préavis et assurer la possibilité de procéder à des consultations avant de faire usage, au sens du paragraphe 5. de toutes informations rendues disponibles en application des procédures stipulées dans les présentes.

7) Sur demande, une Partie à laquelle demande est adressée doit, conformément à l'usage et aux formalités en vigueur dans l'Etat ainsi pressenti, prêter aide aux organismes dotés de pouvoirs judiciaires

de l'Etat demandeur, l'aistant, par exemple, à rechercher des témoins, à interroger des témoins, à consigner des témoignages ou des déclarations ou à produire des documents ou autres pièces.

Des représentants de l'Etat demandeur sont admis à participer aux démarches visant à donner suite à la demande si les autorités compétentes de l'Etat pressenti y consentent.

Le demandeur ne doit pas insister sur sa demande d'une entrevue ou de la communication de documents ou de toutes autres pièces si la partie pressentie considère que cela entraverait une enquête ou des poursuites entamées par les autorités de l'Etat pressenti.

8) Les Parties doivent faire tout leur possible pour aider à la prompte exécution de commissions rogatoires émises par les autorités judiciaires concernant toutes poursuites juridiques susceptibles d'être entamées dans leur pays respectif.

9) L'assistance devant être apportée à un Etat demandeur ne doit pas obliger à procéder à des démarches telles qu'il en résulte éventuellement l'immunité de poursuites pour toute personne dans l'Etat pressenti.

10) Toute assistance demandée d'un Etat sera fournie sous réserve des limitations imposées par sa législation nationale. La suite à donner à une demande d'assistance peut être reportée à plus tard, refusée ou donnée suivant des conditions dont les Parties devront convenir, si les démarches devaient entraver une enquête ou des poursuites entamées dans l'Etat pressenti.

11) Nulle disposition des présentes ne doit limiter les droits des Parties d'utiliser à toutes fins des informations obtenues indépendamment des procédures stipulées par les présentes.

12) L'assistance que les Parties doivent se prêter mutuellement en application des procédures énoncées aux présentes doit être uniquement

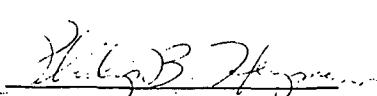
dans l'intérêt de leurs organismes respectifs dotés de pouvoirs judiciaires; elle n'est pas destinée à être d'utilité à des tierces parties ou à avoir une incidence sur l'admissibilité de preuves aux termes des lois des Etats-Unis ou de la République togolaise.

13) Le champ d'application du présent Accord peut éventuellement s'étendre à des cas analogues dans lesquels des enquêtes sont effectuées ou envisagées par le Ministère de la Justice des Etats-Unis ainsi que par le Ministère de la Justice de la République togolaise en procédant à un échange de lettres entre les Parties.

14) Le présent Accord entrera en vigueur à la date de sa signature par les deux Parties.

Fait à Washington, D.C., ce 30 jour de Janvier l'an 1979, en deux exemplaires originaux en langues anglaise et française, les deux textes étant également authentiques.

Pour le Ministère de la Justice
des Etats-Unis


Philip B. Heymann,
Assistant Attorney General

Pour le Ministère de la Justice
de la République togolaise


Messanvi Kokou Kekeh,
Ambassador

TANZANIA

Peace Corps

Agreement effected by exchange of letters

Signed at Dar es Salaam January 9, 1979;

Entered into force January 9, 1979.

*The American Ambassador to the Tanzanian Minister of Manpower
Development*

DAR ES SALAAM, TANZANIA, January 9, 1979

The Honorable ABEL MWANGA
Minister of Manpower Development
Government of the United Republic
of Tanzania
Dar es Salaam,
Tanzania

DEAR MR. MINISTER:

I have the honor to refer to recent conversations between representatives of our two Governments concerning appropriate arrangements with respect to men and women of the United States of America who volunteer to serve in the Peace Corps and who, at the request of your Government, would live and work for periods of time in Tanzania. In these conversations, your Government has indicated that it would welcome Peace Corps volunteers. I have the honor to propose the following understandings with respect to the Peace Corps.

1. The Government of the United States will furnish Peace Corps volunteers as may be requested by the Government of Tanzania to perform mutually agreed tasks in Tanzania. The volunteers will work under the immediate supervision of organizations designated by our two Governments. The Government of the United States will provide training to enable the volunteers to perform these agreed tasks more effectively.
2. The Government of Tanzania will accord equitable treatment to Peace Corps Volunteers, both as to their persons and their property; afford them full aid and protection, including treatment no

less favorable than accorded generally to volunteers serving in Tanzania; and fully inform, consult and cooperate with the representatives of the Government of the United States of America with respect to all matters concerning such volunteers.

3. To enable the Government of the United States to discharge its responsibilities under this Agreement, the Government of Tanzania will receive a Peace Corps representative and staff as are acceptable to the Government of Tanzania, who will discharge functions with respect to Peace Corps programs. The Government of the United States will provide all financial support required by such representative and staff.
4. The government of Tanzania will exempt from taxes, customs duties and other charges, equipment and goods introduced into or acquired in Tanzania by the Government of the United States, or any contractor financed by it, and used in connection with Peace Corps programs.
5. The Government of Tanzania will exempt Peace Corps volunteers, the Peace Corps representative and staff from immigration fees, from all taxes on income derived from their Peace Corps work or from sources outside Tanzania, and from all other taxes except those included in the prices of equipment, supplies and services and charges and fees such as port of entry and departure charges. The Government of Tanzania will also exempt volunteers from all customs duties or other taxes on their personal and household effects for their own use introduced into Tanzania within six months of the volunteers' arrival in Tanzania. The Peace Corps representative and his staff will be accorded by the Government of Tanzania the same treatment with respect to the payment of customs duties or other taxes on their personal and household effects introduced into Tanzania as is accorded personnel of comparable rank or grade of the Embassy of the United States.
6. The Government of Tanzania will exempt from deposit requirements and currency controls all funds introduced into Tanzania for use hereunder by the Government of the United States or contractors financed by it. Such funds shall be convertible into currency of Tanzania at the rate of exchange prevailing at the time.
7. Appropriate representatives of the Government of the United States of America and the Government of Tanzania may make from time to time such arrangements with respect to Peace Corps volunteers and Peace Corps programs in Tanzania as appear necessary or desirable for purposes of implementing this Agreement.

The undertakings of each Government herein are subject to the availability of funds and to the applicable laws of that Government.

Finally, I have the honor to propose that, if these understandings are acceptable to the Government of Tanzania, this letter and your Government's letter in reply concurring therein shall constitute an Agreement between our two Governments which shall enter into force on the date of your Government's letter in reply and which shall remain in force until ninety days after the date of written notification from either Government to the other of an intent to terminate it.

Sincerely,

JAMES W. SPAIN

James W. Spain

American Ambassador

The Tanzanian Minister of Manpower Development to the American Ambassador

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MANPOWER DEVELOPMENT

P.O. Box 2483,
DAR ES SALAAM

Ref. No. EBC.9/53/449

9th January, 1979

His Excellency James W. Spain,
Ambassador,
Embassy of the United States of America,
P.O. Box 9123,
DAR ES SALAAM.

Your Excellency,

I have the honour to refer to Your Excellency's letter of 9th January, 1979 which reads as follows:-

"I have the honor to refer to recent conversations between representatives of our two Governments concerning appropriate arrangements with respect to men and women of the United States of America who volunteer to serve in the Peace Corps and who, at the request of your Government, would live and work for periods of time in Tanzania. In these conversations, your Government has indicated that it would welcome Peace Corps volunteers. I have the honor to propose the following understandings with respect to the Peace Corps:-

1. The Government of the United States will furnish Peace Corps volunteers as may be requested by the Government of Tanzania to perform mutually agreed tasks in Tanzania. The volunteers will work under the immediate supervision of organizations designated by our two Governments. The Government of the United States will provide

training to enable the volunteers to perform these agreed tasks more effectively.

2. The Government of Tanzania will accord equitable treatment to Peace Corps volunteers, both as to their persons and their property; afford them full aid and protection, including treatment no less favorable than accorded generally to volunteers serving in Tanzania; and fully inform, consult and cooperate with the representatives of the Government of the United States of America with respect to all matters concerning such volunteers.
3. To enable the Government of the United States to discharge its responsibilities under this Agreement, the Government of Tanzania will receive a Peace Corps representative and staff as are acceptable to the Government of Tanzania, who will discharge functions with respect to Peace Corps programs. The Government of the United States will provide all financial support required by such representative and staff.
4. The Government of Tanzania will exempt from taxes, customs duties and other charges, equipment and goods introduced into or acquired in Tanzania by the Government of the United States, or any contractor financed by it, and used in connection with Peace Corps programs.
5. The Government of Tanzania will exempt Peace Corps volunteers, the Peace Corps representative and staff from immigration fees, from all taxes on income derived from their Peace Corps work or from sources outside Tanzania, and from all other taxes except those included in the prices of equipment, supplies and services and charges and

fees such as port of entry and departure charges. The Government of Tanzania will also exempt volunteers from all customs duties or other taxes on their personal and household effects for their own use introduced into Tanzania within six months of the volunteers' arrival in Tanzania. The Peace Corps representative and his staff will be accorded by the Government of Tanzania the same treatment with respect to the payment of customs duties or other taxes on their personal and household effects introduced into Tanzania as is accorded personnel of comparable rank or grade of the Embassy of the United States.

6. The Government of Tanzania will exempt from deposit requirements and currency controls all funds introduced into Tanzania for use hereunder by the Government of the United States or contractors financed by it. Such funds shall be convertible into currency of Tanzania at the rates of exchange prevailing at the time.
7. Appropriate representatives of the Government of the United States of America and the Government of Tanzania may make from time to time such arrangements with respect to Peace Corps volunteers and Peace Corps programs in Tanzania as appear necessary or desirable for purposes of implementing this Agreement.

The undertakings of each Government herein are subject to the availability of funds and to the applicable laws of the Government.

Finally, I have the honor to propose that, if these understanding is acceptable to the Government of Tanzania, this letter and your Governments' letter

in reply concurring therein shall constitute an Agreement between our two Governments which shall enter into force on the date of your Government's letter in reply and which shall remain in force until ninety days after the date of written notification from either Government to the other of an intent to terminate it."

I have further the honour to confirm that the above understanding is acceptable to the Government of the United Republic of Tanzania and that your Excellency's letter and my reply thereto shall constitute an Agreement between our two Governments which shall enter into force on the date of this letter; which shall remain in force until ninety days after the date of written notification from either Government to the other of an intent to terminate it.

Sincerely,

Abel K Mwanga
(Abel K. Mwanga)
MINISTER FOR MANPOWER DEVELOPMENT

BRAZIL

Space Research: Sounding Rockets and Balloons

*Agreement effected by exchange of notes
Signed at Brasilia November 14, 1978 and
January 24, 1979;
Entered into force January 24, 1979.*

The American Ambassador to the Brazilian Minister of External Relations

EMBASSY OF THE
UNITED STATES OF AMERICA
Brasilia, November 14, 1978

No. 525

Excellency:

I have the honor to refer to the Memorandum of Understanding between the United States National Aeronautics and Space Administration (NASA) and the Brazilian Commission for Space Activities (COBAE) concerning atmospheric research sounding rocket and balloon cooperation dated November 14, 1978, attached as an annex to this note. Recognizing the close cooperation that has been built in this area since 1965, the Government of the United States of America confirms the provisions of the Memorandum of Understanding referred to above.

It is understood between the parties that the operations envisaged in the Memorandum of Understanding annexed to the present note shall not interfere with the program of activities of the Barra do Inferno Rocket Launching Center.

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 reply to that effect shall constitute an agreement between our two Governments regarding this matter which will enter into force for two years, subject to extension as may be agreed by the parties and our Governments.

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

 [¹]

His Excellency

Antonio Francisco Azeredo da Silveira
Minister of External Relations
Brasilia, D.F.

¹ Robert M. Sayre.

MEMORANDUM OF UNDERSTANDINGBETWEEN THEBRAZILIAN COMMISSION FOR SPACE ACTIVITIES (COBRAE)AND THEUNITED STATES NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

1. The United States National Aeronautics and Space Administration (NASA) and the Brazilian Commission for Space Activities (COBRAE) agree to pursue a cooperative sounding rocket and balloon launching effort to be implemented on the Brazilian side by the Institute for Space Research (INPE) of the National Council for Scientific and Technological Development (CNPq) and the Barreira do Inferno Rocket Launching Center (CLFBI) of the Air Force (MAER) to study the concentrations of various atmospheric constituents to aid in the understanding of the earth's ozone layer, its generation and depletion, and to help calibrate and verify satellite remote sensors. This cooperation will supplement measurements being made from Wallops Island, Virginia (37° 50'N) and other sites for high earth latitude coverage. Launchings from Natal at 5° 55'S will provide the near Equatorial data needed for broad latitudinal coverage. It is understood that CNPq/INPE will be the coordinating agency on the Brazilian side.

It is planned that rocket launchings for ozone and meteorological measurements, each approximately 15 times per year (total of 30 launchings per year), and a balloon-sonde launching approximately twice a month, will be carried out by CNPq/INPE and MAER/CLFBI, for an initial period of two years.

2. To carry out this project, NASA will use its best efforts to:

TIAS 9403

A. Provide the Brazilian side with the following equipment:

- Rocket systems (rocket motors and payloads)
- Launchers for the unique NASA supplied rockets
- Radiosonde tracker (GMD) modification kit and special recording and display equipment
- Unique payload checkout equipment
- Ozone balloonsondes
- Portable ozonesonde calibration equipment

B. Process data from rocket observations and provide copies of processed data to CNPq/INPE.

C. Provide to CNPq/INPE satellite data which correlates with the specific Brazilian rocket and balloon observations.

D. Provide training for approximately three Brazilian specialists at Wallops Flight Center for approximately three weeks, to be followed by three weeks of training in Natal to be conducted by NASA personnel. This training will cover the set-up and operation of ground equipment and the handling and processing of payloads.

3. The Brazilian side will use its best efforts to:

A. Conduct rocket launchings for ozone and meteorological measurements (after the training period) each approximately 15 times per year (total of 30 launchings per year) according to a schedule to be provided by NASA. These launchings will be in conjunction with NASA requirements such as satellite over-pass times.

B. Provide range support (data acquisition services, rocket and payload preparation).

C. Provide to NASA, for each rocket launch, reduced radar tracking data in a presentation similar to the Exametnet format.

D. Calibrate and launch, ozone balloonsondes on a twice per month basis; data from these balloonsondes will be reduced and provided to NASA.

E. Provide NASA with the results of any data analysis resulting from this effort.

F. Provide ground-based measurements in accordance with WMO standards using a Dobson spectrophotometer.

4. The following additional understandings are confirmed:

A. CNPq/INPE will continue to conduct routine weekly temperature and wind observations in conjunction with Exametnet. These data are essential in interpreting ozone profiles.

B. CNPq/INPE and NASA will designate a project manager to be responsible for coordinating the agreed functions and responsibilities of each agency with the other in the implementation of this agreement.

C. Each agency will bear the costs of discharging its respective responsibilities, including travel and subsistence for its own personnel and transportation charges on all equipment for which it is responsible.

D. Items of equipment provided to the Brazilian side by NASA under this agreement and deemed by NASA to be nonexpendable will be returned to NASA at the expiration of the agreement. NASA will pay for the transportation and handling of such equipment.

E. COBAE and NASA will use their best efforts to arrange for free customs clearance of equipment required for this project.

F. Release of public information regarding this cooperative project may be made by each agency for its own activities as

appropriate and, insofar as the participation of the other is involved, after suitable coordination.

G. The ability of CNPq/INPE and MAER/CLFBI and NASA to carry out activities under this agreement is subject to the availability of appropriated funds.

5. This agreement will enter into force upon exchange of Diplomatic Notes between the Governments of the United States of America and the Federative Republic of Brazil and shall continue in force for two years, subject to extension as may be agreed between COBRAE and NASA and endorsed by the respective Governments.

The Brazilian Minister of External Relations to the American Ambassador

MINISTERIO DAS RELAÇÕES EXTERIORES

Em 24 de Janeiro de 1979.

URGENTÍSSIMO

DNU/DCS/DAI/ 07 /692.2(B46) (B13)

Senhor Embaixador,

Tenho a honra de acusar o recebimento da Nota nº 525, de 14 de novembro de 1978, de Vossa Excelênciia cujo teor em português é o seguinte:

"Excelênciia,

Tenho a honra de me referir ao Memorando de Entendimento entre a Administração Nacional para Espaço e Aeronáutica (NASA) e a Comissão Brasileira de Atividades Espaciais (COBAE), acerca da cooperação em pesquisa atmosférica com foguetes de sondagem e balões, datado de 14 de novembro de 1978, o qual consta como anexo à presente Nota. Reconhecendo a estreita cooperação implementada nessa área desde 1965, o Governo dos Estados Unidos da América confirma as disposições do Memorando de Entendimento referido acima.

Fica entendido entre as Partes que as operações contempladas no Memorando de Entendimento em anexo à presente Nota não interferirão com o programa de

A Sua Excelênciia o Senhor Robert Sayre,
Embaixador Extraordinário e Plenipotenciário dos
Estados Unidos da América no Brasil.
Banco: 02

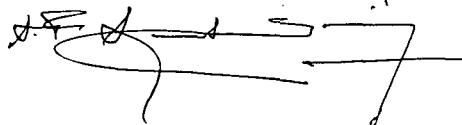
de atividades do Centro de Lançamentos de Foguete de Barreira do Inferno.

Caso o Governo da República Federativa do Brasil também confirme as disposições do Memorando de Entendimento, proponho que minha Nota, e sua resposta nesse sentido, constituam um acordo entre nossos dois Governos no tocante à matéria, o qual entrará em vigor por dois anos, passível de prorrogação se assim concordarem as Partes e nossos Governos.

Aceite, Excelência, os renovados protestos de minha mais alta consideração".

2. Em resposta, informo Vossa Excelência de que o Governo brasileiro concorda com os termos da Nota acima transcrita, a qual, juntamente com a presente, passa a constituir um Acordo entre nossos dois Governos, a entrar em vigor na data de hoje.

Aproveito a oportunidade para renovar a Vossa Excelência os protestos de minha mais alta consideração.

A handwritten signature in black ink, appearing to read "J. F. Kennedy".

TRANSLATION

MINISTRY OF EXTERNAL RELATIONS

Extremely Urgent

January 24, 1979

DNU/DCS/DAI/07/692.2(B46) (B13)

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's note No. 525 of November 14, 1978, the text of which in Portuguese reads as follows:

[For the English language text, see p. 3494.]

In reply, I inform Your Excellency that the Brazilian Government concurs with the terms of the note transcribed above, which together with this note, constitutes an agreement between our two Governments to enter into force on today's date.

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

A. F. Azeredo da Silveira

His Excellency

Robert Sayre,

Ambassador Extraordinary and Plenipotentiary
of the United States of America.Enclosures: 2

IRAN
Military Mission to Iran

Agreements extending the agreement of October 6, 1947, as amended and extended.

Effectuated by exchange of notes

Dated at Tehran October 8, 1977 and January 19, 1978;

Entered into force January 19, 1978;

Effective March 21, 1978.

And exchange of notes

Dated at Tehran September 10, 1978 and January 3, 1979;

Entered into force January 3, 1979;

Effective March 21, 1979.

The Iranian Ministry of Foreign Affairs to the American Embassy

اواره — حقوق
شماره ۹۰۷۴/۱۸
تاریخ ۴۰۲۶/۷/۱۶
پیوست

یادداشت



وزارت امور خارجه

وزارت امور خارجه شاهنشاهی تعارفات خود را بسفارت مالک متحد
آمریکا اظهار و احتراماً عطف به مکاتبات متعاطیه درباره تجدید مدت
خدمت میسیون نظامی آمریکا در ایران که به یادداشت شماره ۶۹ مورخ
۶ فوریه ۱۹۷۷ (۱۲ بهمن ۱۳۵۰) آن سفارت ختم نمیشد —
اعمار پیدار:

با توجه به اینکه مدت خدمت هیئت مستشاران ارتش آمریکا در ارتش
شاهنشاهی ایران در طی ریخت ۱۹۷۸ (۲۰ مارس ۱۹۷۸) پایان
میپاید — در جرای ماده ۲ موافقنامه مورخ ۱۲ مهر ۱۳۴۶ لکته
۱۹۴۷ (۱۲ بهمن) خدمت میسیون نظامی آمریکا در ایران — بدینوسیله
تایل دولت ایران را سبب به تجدید این موافقنامه وادامه خدمت
میسیون نظامی آمریکا در ایران بعد از یکسال دیگر از اول فروردین ۱۳۵۲
(۲۱ مارس ۱۹۷۸) اعلام میدارد.
موجب امتنان خواهد بود نظردولت متبع آن سفارت را در حضور
تجدید مدت خدمت میسیون مذبور وزارت امور خارجه اعلام دارد.
موقع را برای تجدید احترامات فائقه مختار میشمارد.

سفارت مالک متحد آمریکا — تهران

[SEAL]

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS

Department: Legal
No.: 18/9562
Date: 16/7/2536
[October 8, 1977]

NOTE

The Imperial Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and respectfully refers to the correspondence exchanged with a view to extending the terms of service of the United States Military Mission in Iran which, according to Embassy note No. 69 of February 6, 1977 (17 Bahman 2435), [¹] is drawing to a close.

Since the term of service of the United States Military Advisory Group with the Imperial Army of Iran expires on 29 Esfand 2536 (March 20, 1978), in implementation of Article 3 of the agreement dated 13 Mehr 1326 (October 6, 1947) [¹] with respect to the term of service of the United States Military Mission in Iran you are hereby informed that the Government of Iran is willing to continue this agreement and extend the term of service of the United States Military Mission in Iran for one more year, beginning on 1 Farvardin 2537 (March 21, 1978).

It would be appreciated if the decision of the Embassy's Government regarding the extension of the term of service of the aforesaid Mission could be conveyed to the Ministry of Foreign Affairs.

Embassy of the
United States of America,
Tehran.

¹ Exchange of notes Nov. 11, 1976 and Feb. 6, 1977. TIAS 8843; 29 UST.

² TIAS 1666, 1924, 2068, 6594, 8279; 61 Stat. 3306; 63 Stat. 2430; 1 UST 415; 19 UST 7514; 27 UST 1819.

The Ministry avails itself of this opportunity to renew to the Embassy the expression of its highest consideration.

[SEAL]

The American Embassy to the Iranian Ministry of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Note No. 57

The Embassy of the United States of America presents its compliments to the Imperial Iranian Ministry of Foreign Affairs and has the honor to refer to the Imperial Ministry's Notes Numbered 9562/18 of October 8, 1977, and 11200/18 of November 16, 1977, stating that the Imperial Government of Iran wishes to extend the agreement of October 6, 1947, for a United States Military Mission in Iran for another year. The opinion of the United States Government is requested.

The Embassy has been authorized to convey the approval of the Government of the United States for the renewal of the agreement of October 6, 1947, for another year beginning March 21, 1978.

The Embassy avails itself of this opportunity to renew to the Imperial Iranian Ministry of Foreign Affairs the assurances of its highest consideration.

Embassy of the United States of America,
Tehran, January 19, 1978.



The Iranian Ministry of Foreign Affairs to the American Embassy

اداره حقوقی
شماره ۲۴۱۱/۱۸
تاریخ ۱۳۵۲/۶/۱۹
پرست



وزارت امور خارجه

پارداشت

وزارت امور خارجه شاهنشاهی تعارفات خود را بسفارت ممالک متحده آمریکا اظهار و احترام "عطاف به مکاتبات متعاطیه درباره تهدید دادن خدمت آمیسیون نظامی آمریکارایران که به پارداشت شماره ۵۷ مورخ ۱۹ نویم ۱۹۷۸" می‌نماید.

(۲۹ دی ماه ۱۳۵۶) آن سفارت متفق می‌شود - اشعار میدارد:

باقیه به اینکه خدمت هیئت مستشاری ارش آمریکارایران
شاهنشاهی در تاریخ ۲۹ اسفند ۱۳۵۷ (۲۰ مارس ۱۹۷۹) پایان می‌یابد
در اجرای ماده ۳ موافقتنامه مورخ ۱۳۲۶ هجری ۱۳ (۶ اکتبر ۱۹۴۷) درباره
خدمت آمیسیون آمریکارایران - بدینوسیله تعامل دولت ایران را بسته
تهدید این موافقتنامه و اداره خدمت آمیسیون نظامی آمریکارایران بمدّت
یکسال دیگر از اول فروردین ۱۳۵۸ (۲۱ مارس ۱۹۷۹) اعلام میدارد.

موجب امتنان خواهد بود که نظر دولت متبع آن سفارت را درخصوص تهدید
خدمت خدمت آمیسیون مذبور وزارت امور خارجه اعلام دارند.

موقع رایراي تجدید احترامات فائقة مفتخر می‌نماید.

سفارت ممالک متحده آمریکا - تهران

[SEAL]

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS
[Iran]

Department: Legal
No.: 18/7411
Date: 19/6/1357
[September 10, 1978]

NOTE

The Imperial Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer to the correspondence exchanged in the matter of the extension of the term of service of the American Military Mission to Iran, which according to the Embassy's note No. 57 dated January 19, 1978 (29 Dey 1356) is drawing to a close, and states:

In view of the fact that the term of service of the American Military Mission to Iran with the Imperial Army comes to an end on 29 Esfand 1357 (March 20, 1979), in implementation of Article 3 of the agreement dated 13 Mehr 1326 (October 6, 1947) on the matter of the service of the American Military Mission to Iran, notification is hereby given that the Government of Iran is disposed to continuing this agreement and to extending the service of the American Military Mission to Iran for a term of one more year effective the first of Farvardin 1358 (March 21, 1979).

Embassy of the
United States of America,
Tehran

It would be appreciated if the Ministry of Foreign Affairs could be informed of the views of the Embassy's Government on the matter of the extension of the term of service of the aforementioned Mission.

The Ministry avails itself of this occasion to renew to the Embassy the assurances of its highest consideration.

[SEAL]

The American Embassy to the Iranian Ministry of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
TEHRAN, IRAN

Note No. 004

The Embassy of the United States of America presents its compliments to the Imperial Iranian Ministry of Foreign Affairs and has the honor to refer to the Imperial Ministry's Notes number 7411/18 of September 10, 1978; 8816/18 of October 17, 1978; and 10080/18 of November 21, 1978. They stated that the Imperial Government of Iran wished to extend for another year the agreement of October 6, 1947 having to do with the United States Military Mission in Iran. The views of the United States Government were requested.

The Embassy has been authorized to convey the approval of the Government of the United States for the renewal of the agreement of October 6, 1947 for another year beginning March 21, 1979.

The Embassy avails itself of this opportunity to renew to the Imperial Iranian Ministry of Foreign Affairs the assurances of its highest consideration.

Embassy of the United States of America

Tehran, January 3, 1979



TIAS 9404

ZAIRE

Finance: Consolidation and Rescheduling of Certain Debts

*Agreement signed at Washington July 19, 1978,
Entered into force July 19, 1978.*

-

(3511)

TIAS 9405

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND THE REPUBLIC OF ZAIRE
REGARDING THE CONSOLIDATION AND RESCHEDULING OF PAYMENTS DUE
UNDER PL 480 TITLE I^[1] AGRICULTURAL COMMODITY AGREEMENTS

1. Reference is made to the Agreements Between The United States of America and The Republic of Zaire identified in Annex A attached to this Memorandum of Agreement and hereinafter referred to as "PL 480 Agreements". Reference is made also to the Agreement Between The United States of America and The Republic of Zaire Regarding the Consolidation and Rescheduling of Certain Debts Owed to, Guaranteed or Insured by the United States Government and Its Agencies signed in Washington, D.C. on June 17,
^[2] 1977, and to the Understanding reached by certain creditor nations of
The Republic of Zaire on June 16, 1976,^[2] and agreed to by The Republic of Zaire, wherein agreement was reached on the consolidation and rescheduling of repayments under the PL 480 Agreements.

2. In accordance with the Agreement dated June 17, 1977, and the Understanding reached on June 16, 1976, cited above, it is agreed that dollar principal and interest obligations due from January 1, 1975, through June 30, 1976, and remaining unpaid on June 16, 1976, and the dollar principal payment obligations due from July 1, 1976, through December 31, 1976, shall be repaid as follows:

a. Principal and interest in the amount of \$1,675,102.14 which consists of 85 percent of the principal and interest payments due from January 1, 1975, through June 30, 1976, and remaining unpaid on June 16, 1976, and the principal due from July 1, 1976, through December 31, 1976, as listed in Annex A, referred to hereafter as the "Consolidated Debt" shall be repaid

¹ 68 Stat. 455, 7 U.S.C. § 1701 *et seq.*

² TIAS 8731, 28 UST 7593.

in 14 equal semi-annual installments on January 1 and July 1 with the first payment due on January 1, 1979, and the last payment due on July 1, 1985, as shown in Annex B.

b. Interest on the outstanding balance of the Consolidated Debt shall accrue at the rate of 3.5 percent per annum beginning on the first day after the due dates under the original agreements, and shall be due and payable beginning on July 1, 1977, and semi-annually thereafter on January 1 and July 1 with the last payment due on July 1, 1985. as shown in Annex B.

c. Principal and interest in the amount of \$295,606.27 which consists of 15 percent of the principal and interest payments due from January 1, 1975, through June 30, 1976, and remaining unpaid on June 16, 1976, and the principal due from July 1, 1976, through December 31, 1976, as listed in Annex A, referred to hereafter as the "Non-Consolidated Debt" shall be repaid in 2 equal installments on July 1, 1977, and July 1, 1978, as shown in Annex C.

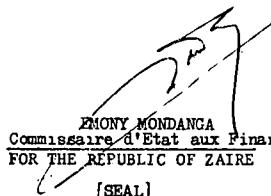
d. Interest on the outstanding balance on the Non-Consolidated Debt shall accrue at the rate of 3.5 percent per annum beginning on the first day after the due dates under the original agreements, and shall be due and payable on the due dates specified in paragraph 2c., as shown in Annex C.

e. Additional interest at the rate of 3.5 percent per annum shall accrue to the benefit of The United States of America on any past due unpaid amounts or unpaid portions of amounts as listed in Annex B and Annex C. Application of payments or credits shall be first to any interest due, with any balance to the principal installment due.

f. To the extent that the Republic of Zaire has already made payments, as shown in Annex D, on the Consolidated and Non-Consolidated Debt due from June 17, 1976 through June 30, 1976, The United States of America agrees that such payments with interest credit at 3.5 percent per annum will be credited to any amounts due and payable by the Republic of Zaire under PL 480 Title I Agreements. Interest credit shall begin as of the first day after the date of receipt of payment by The United States of America and shall be allowed through and as of the due date of amounts payable.

3. To the extent not amended herein, the terms and conditions of the PL 480 Agreements shall remain in full force and effect.

4. Done at Washington, D.C. in duplicate the 19th day of July, 1978.


EMONY MONDANGA
Commissaire d'Etat aux Finances
FOR THE REPUBLIC OF ZAIRE
[SEAL]

 [1]
Charles F. Meissner
FOR THE UNITED STATES OF AMERICA

¹ Charles F. Meissner.

ANNEX A

Schedule of Certain Amounts Due The United States of America
 During the Period January 1, 1975, through December 31, 1976
 Under P.L. 480, Title I Agreements With
 The Republic of Zaire
 Showing the Amount of Consolidated and Non-Consolidated Debt

Original Agreement Date and (Delivery Year)	Payment Due Date	Amount Due			Consolidated Debt (85%)	Non-Consolidated Debt (15%)
		Principal	Interest	Total		
3-15-67 [¹] (68)	4-20-76	\$ 72,958 17	\$ —	\$ 72,958 17	\$ 62,014 44	\$ 10,943 73
10-03-66 [²] (67)	6-23-76	374,202 55	112,260 77	486,463 32	413,493 82	72,969 50
5-14-69 [³] (69)	6-26-76	93,151 38	39 123 58	132,274 96	112,433 72	19 841 24
10-21-69 [⁴] (70)	6-27-76	109 576 72	49,309 52	158,886 24	135 053 30	23,832 94
10-07-71 [⁵] (72)	6-29-76	92,944 82	47,401 86	140,346 68	119,294 68	21 032 00
3-15-67 (67)	7-10-76	422 315 45		422,315 45	358,968 13	63 347 32
12-11-67 [⁶] (68)	7-13-76	418,745 17		418 745 17	355,933 39	62 811 78
10-21-69 (71)	7-15-76	68,066 20		68 066 20	57,856 27	10 209 93
10-21-69 (70)	12-29-76	5 489 42		5,489 42	4 666 01	823 41
10-03-66 (66)	12-31-76	<u>65,162.80</u>		<u>65,162.80</u>	<u>55,388.38</u>	<u>9,774.42</u>
Total		\$1,722,612 68		\$248,095 73	\$1,970,708 41	\$295,606 27

¹ TIAS 6329; 18 UST 1828 ⁴ TIAS 8712; 20 UST 2401
² TIAS 6166; 17 UST 2258 ⁵ TIAS 7219; 22 UST 1784
³ TIAS 6887; 20 UST 762 ⁶ TIAS 6396; 18 UST 3065

Annex B

UNITED STATES DEPARTMENT OF AGRICULTURE
 Commodity Credit Corporation
 Consolidation and Rescheduling of Payments Agreement dated June 17, 1977
 with
 the REPUBLIC OF ZAIRE
 Repayment Schedule for the 1976 PL-480 Consolidated Debt

Repayment Terms

Interest: 3.5% per annum
 Principal. 14 equal semi-annual installments

<u>Installment Due Date</u>	<u>Balance Outstanding</u>	<u>Amount Due</u>			<u>Total</u>
		<u>Principal</u>	<u>Interest</u>		
7-1-77	\$1,675,102.14	\$ -	\$ 57,652.55	\$ 57,652.55	
1-1-78	1,675,102.14	-	29,314.29	29,314.29	
7-1-78	1,675,102.14	-	29,314.29	29,314.29	
1-1-79	1,675,102.14	119,650.15	29,314.29	148,964.44	
7-1-79	1,555,451.99	119,650.15	27,220.41	146,870.56	
1-1-80	1,435,801.84	119,650.15	25,126.53	144,776.68	
7-1-80	1,316,151.69	119,650.15	23,032.65	142,682.80	
1-1-81	1,196,501.54	119,650.15	20,938.78	140,588.93	
7-1-81	1,076,851.39	119,650.15	18,844.90	138,495.05	
1-1-82	957,201.24	119,650.15	16,751.02	136,401.17	
7-1-82	837,551.09	119,650.15	14,657.14	134,307.29	
1-1-83	717,900.94	119,650.15	12,563.27	132,213.42	
7-1-83	598,250.79	119,650.15	10,469.39	130,119.54	
1-1-84	478,600.64	119,650.15	8,375.51	128,025.66	
7-1-84	358,950.49	119,650.15	6,281.63	125,931.78	
1-1-85	239,300.34	119,650.15	4,187.76	123,837.91	
7-1-85	119,650.19	119,650.19	2,093.88	121,744.07	
	Total	\$1,675,102.14	\$336,138.29	\$2,011,240.43	

Annex C

UNITED STATES DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation
Consolidation and Rescheduling of Payments Agreement dated June 17, 1977
with
the REPUBLIC OF ZAIRE
Repayment Schedule for the 1976 PL-480 Non-Consolidated Debt

Repayment Terms

Interest: 3.5% per annum
Principal. 2 equal installments

<u>Installment Due Date</u>	<u>Balance Outstanding</u>	<u>Amount Due</u>		
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
7-1-77	\$295,606.27	\$147,803.14	\$10,173.99	\$157,977.13
7-1-78	147,803.13	147,803.13	5,173.11	152,976.24
Total		<u>\$295,606.27</u>	<u>\$15,347.10</u>	<u>\$310,953.37</u>

ANNEX D

**Schedule of Payments Made
Consolidated and Non-Consolidated Debt
Due From June 17, 1976 Through June 30, 1976**

<u>Original Agreement Date And (Delivery Year)</u>	<u>Date Paid</u>	<u>Interest Amount Paid</u>
5-14-69 (69)	7-05-77	\$ 39,123.58
10-21-69 (70)	7-05-77	49,309.52
10-07-71 (72)	6-29-76	<u>47,401.86</u>
Total		<u>\$135,834.96</u>

ACCORD ENTRE
LES ETATS-UNIS D'AMERIQUE
ET LA REPUBLIQUE DU ZAIRE
CONCERNANT LA CONSOLIDATION ET LE REECHENONNEMENT DES PAIEMENTS DUS
EN VERTU DES ACCORDS RELATIFS AUX PRODUITS AGRICOLES
CONCLUS AU TITRE DE LA LOI PUBLIQUE 480

1. Il est fait référence aux Accords conclus entre les Etats-Unis d'Amérique et la République du Zaïre identifiés dans l'Annexe A jointe au présent Mémorandum d'Accord et désignés ci-après en tant qu'"Accords conclus au titre de la L.P.480". Il est fait référence également à l'Accord conclu entre les Etats-Unis d'Amérique et la République du Zaïre concernant la Consolidation et le Rééchelonnement de certaines dettes relatives aux crédits consentis, garantis ou assurés par le Gouvernement des Etats-Unis et ses institutions, signé à Washington, D.C. le 17 juin 1977, et à l'Arrangement fait le 16 juin 1976 par certains pays créanciers de la République du Zaïre, et agréé par la République du Zaïre, par lequel l'accord s'est fait sur la consolidation et le rééchelonnement des échéances de remboursement prévues aux termes des Accords conclus au titre de la L.P. 480.

2. Conformément aux termes de l'Accord en date du 17 juin 1977 et de l'Arrangement fait le 16 juin 1976, mentionnés ci-dessus, il est convenu que les obligations de paiements dues en dollars sur le principal et les intérêts pendant la période du 1^{er} janvier 1975 au 30 juin 1976 inclusivement, et encore non acquittées au 16 juin 1976, et les obligations de paiements dues en dollars sur le principal pendant la période du 1^{er} juillet 1976 au 31 décembre 1976 inclusivement, seront remboursées comme suit:

a. Un montant en principal et intérêts de \$1.675.102,14, représentant 85 pour cent des tranches de principal et des intérêts échus du 1^{er} janvier 1975

au 30 juin 1976 inclusivement, et encore non réglés le 16 juin 1976, et les tranches de principal échues du 1^{er} juillet 1976 au 31 décembre 1976 inclusivement, comme indiqué à l'Annexe A, montant désigné ci-après par l'expression "Dette consolidée", sera remboursé en 14 paiements semestriels égaux le 1^{er} janvier et le 1^{er} juillet, le premier paiement venant à échéance le 1^{er} janvier 1979 et le dernier paiement le 1^{er} juillet 1985, comme indiqué à l'Annexe B.

b. Les intérêts sur le solde non réglé de la Dette consolidée commenceront à courir au taux de 3,5 pour cent l'an à compter du premier jour après les dates d'échéance aux termes des Accords d'origine, et seront exigibles et payables à partir du 1^{er} juillet 1977, et semestriellement par la suite le 1^{er} janvier et le 1^{er} juillet, le dernier paiement venant à échéance le 1^{er} juillet 1985, comme indiqué à l'Annexe B.

c. Un montant en principal et intérêts s'élevant à \$295.606,27, représentant 15 pour cent des tranches de principal et des intérêts échus du 1^{er} janvier 1975 au 30 juin 1976 inclusivement, et non encore réglées au 16 juin 1976, et les tranches de principal échues du 1^{er} juillet 1976 au 31 décembre 1976 inclusivement, comme indiqué à l'Annexe A, montant désigné ci-après par l'expression "Dette non consolidée", sera remboursé en deux paiements égaux le 1^{er} juillet 1977 et le 1^{er} juillet 1978, comme indiqué à l'Annexe C.

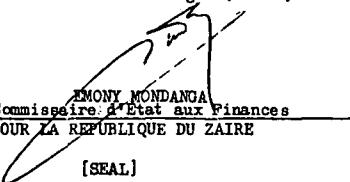
d. Les intérêts sur le solde non réglé de la Dette non consolidée commenceront à courir au taux de 3,5 pour cent l'an à compter du premier jour après les dates d'échéance aux termes des Accords d'origine, et seront exigibles et payables aux dates d'échéance stipulées au paragraphe 2c., comme indiqué à l'Annexe C.

e. Les Etats-Unis d'Amérique recevront un intérêt additionnel au taux de 3,5 pour cent l'an sur tous montants échus ou sur toutes parties de montants non réglées comme indiqué à l'Annexe B et à l'Annexe C. Les paiements et crédits seront imputés en premier lieu à tous intérêts échus, et tout solde restant à la tranche échue de principal.

f. Dans la mesure où la République du Zaïre a déjà effectué des paiements, comme indiqué à l'Annexe D, sur la Dette consolidée et sur la Dette non consolidée à l'égard des Etats-Unis d'Amérique du 17 juin 1976 au 30 juin 1976 inclusivement, les Etats-Unis d'Amérique conviennent que lesdits paiements, majorés d'un crédit pour intérêts à 3,5 pour cent l'an seront imputés à tous montants échus et payables par la République du Zaïre aux termes des Accords conclus au titre de la L.P. 480. Le crédit pour intérêts commencera à courir le premier jour après la date de réception de paiement par les Etats-Unis d'Amérique, et continuera à courir jusques et y compris la date d'échéance des montants exigibles.

3. Dans la mesure où elles ne sont pas modifiées par les présentes, les modalités et conditions des Accords conclus au titre de la L.P. 480 demeurent pleinement en vigueur avec tous leurs effets.

4. Fait à Washington, D.C., ce 19 jour de juillet 1978.


EMONY MONDANGA
Commissaire d'Etat aux Finances

POUR LA REPUBLIQUE DU ZAIRE

[SEAL]


Charles F. Meissner
POUR LES ETATS-UNIS D'AMERIQUE

ANNEXE A

Calendrier de certaines échéances payables aux Etats-Unis d'Amérique pendant la période du 1er janvier 1975 au 31 décembre 1976 inclusivement en vertu des Accords conclus au titre de la Loi publique 480, Titre premier, avec la République du Zaïre
- faisant ressortir le montant de la dette consolidée et non consolidée

<u>Date de l'Accord d'origine et (année de remise)</u>	<u>Date d'échéance</u>	<u>Montant dû</u>	<u>Dette consolidée (85%)</u>	<u>Dette non consolidée (15%)</u>
		<u>Principal</u>	<u>Intérêts</u>	<u>Total</u>
15-3-67 (68)	20-4-76	\$ 72 958,17	\$ -	\$ 72 958,17 \$ 62 014,44
03-10-66 (67)	23-6-76	374 202,55	112 260,77	486 463,32 413 493,82
14-5-69 (69)	26-6-76	33 151,38	39 123,58	132 274,96 112 433,72
21-10-69 (70)	27-6-76	109 576,72	49 309,52	158 886,24 135 053,30
07-10-71 (72)	29-6-76	92 944,82	47 401,86	140 346,68 119 294,68
15-3-67 (67)	10-7-76	422 315,45		422 315,45 358 968,13
11-12-67 (68)	13-7-76	418 745,17		418 745,17 355 933,39
21-10-69 (71)	15-7-76	68 066,20		68 066,20 57 856,27
21-10-69 (70)	29-12-76	5 489,42		5 489,42 4 666,01
03-10-66 (66)	31-12-76	<u>65 162,80</u>		<u>65 162,80</u> <u>55 388,38</u> <u>9 774,42</u>
Total		\$1,722,612,68	\$248,095,73	\$1,970,708,41 \$1,675,102,14 \$295,606,27

Annexe B

MINISTÈRE DE L'AGRICULTURE DES ETATS-UNIS
 Commodity Credit Corporation
 Accord en date du 17 juin 1977 sur la consolidation et le rééchelonnement des échéances
 avec
 La REPUBLIQUE DU ZAIRE
 Calendrier d'amortissement de la Dette consolidée 1976 au titre de la L.P.480

Modalités de remboursement

Intérêt: 3,5 pour cent l'an
 Principal. 14 échéances semestrielles égales

<u>Date de l'échéance</u>	<u>Solde non amorti</u>	<u>Principal</u>	<u>Montant dû Intérêts</u>	<u>Total</u>
1-7-77	\$1.675.102,14	\$ -	\$ 57.652,55	\$ 57.652,55
1-1-78	1.675.102,14	-	29.314,29	29.314,29
1-7-78	1.675.102,14	-	29.314,29	29.314,29
1-1-79	1.675.102,14	119.650,15	29.314,29	148.964,44
1-7-79	1.555.451,99	119.650,15	27.220,41	146.870,56
1-1-80	1.435.801,84	119.650,15	25.126,53	144.776,68
1-7-80	1.316.151,69	119.650,15	23.032,65	142.682,80
1-1-81	1.196.501,54	119.650,15	20.938,78	140.588,93
1-7-81	1.076.851,39	119.650,15	18.844,90	138.495,05
1-1-82	957.201,24	119.650,15	16.751,02	136.401,17
1-7-82	837.551,09	119.650,15	14.657,14	134.307,29
1-1-83	717.900,94	119.650,15	12.563,27	132.213,42
1-7-83	598.250,79	119.650,15	10.469,39	130.119,54
1-1-84	478.600,64	119.650,15	8.375,51	128.025,66
1-7-84	358.950,49	119.650,15	6.281,63	125.931,78
1-1-85	239.300,34	119.650,15	4.187,76	123.837,91
1-7-85	119.650,19	<u>119.650,19</u>	<u>2.093,88</u>	<u>121.744,07</u>
Total	\$1.675.102,14		\$336.138,29	\$2.011.240,43

ANNEXE C

MINISTÈRE DE L'AGRICULTURE DES ETATS-UNIS
 Commodity Credit Corporation
 Accord en date du 17 juin 1977 sur la consolidation et le rééchelonnement des échéances
 avec
 La REPUBLIQUE DU ZAIRE
 Calendrier d'amortissement de la dette non consolidée 1976 au titre de la L.P.480

Modalités de remboursement

Intérêts: 3,5 pour cent l'an
 Principal. 2 paiements égaux

Date de l'échéance	Solde non amorti	Montant dû		
		Principal	Intérêts	Total
1-7-77	\$295.606,27	\$147.803,14	\$10.173,99	\$157.977,13
1-7-78	147.803,13	147.803,13	5.173,11	152.976,24
Total		\$295.606,27	\$15.347,10	\$310.953,37

ANNEXE D

Tableau des paiements effectués
Dette consolidée et non consolidée
Echéances du 17 juin 1976 au 30 juin 1976 inclusivement

<u>Date de l'accord d'origine et (année de remise)</u>	<u>Date du versement</u>	<u>Montant des intérêts versés</u>
14-5-69 (69)	05-7-77	\$ 39.123,58
21-10-69 (70)	05-7-77	49.309,52
07-10-71 (72)	29-6-76	47.401,86
T O T A L		\$ 135.834,96

INTERNATIONAL MONETARY FUND
Supplementary Financing Facility

*Agreement effected by exchange of letters
Signed at Washington January 5 and 12, 1979;
Entered into force January 16, 1979.*

*The Managing Director of the International Monetary Fund to the
Secretary of the Treasury*

INTERNATIONAL MONETARY FUND
WASHINGTON, D.C. 20431

MANAGING DIRECTOR

JAN - 5 1979

CABLE ADDRESS
INTERFUND

Dear Mr. Secretary:

In accordance with Article VII of the Articles of Agreement of the International Monetary Fund,^[1] hereinafter referred to as "the Articles," and pursuant to Executive Board Decision No. 5509-(77/127), adopted August 29, 1977, and Executive Board Decision No. 6005-(79/3), adopted January 5, 1979, I have been authorized to propose on behalf of the International Monetary Fund, hereinafter referred to as "the Fund," that the United States agree to make available to the Fund at call during the period of five years from the effective date of Executive Board Decision No. 5508-(77/127), adopted August 29, 1977, United States dollars in amounts that in total do not exceed one thousand eight hundred thirty one million six hundred forty thousand United States dollars (US\$1,831,640,000) nor the equivalent of one thousand four hundred fifty million special drawing rights (SDR 1,450,000,000) in exchange for readily repayable claims on the following terms and conditions:

1. All amounts under this agreement shall be expressed in terms of the special drawing right. For all purposes of this agreement, the value of a currency in terms of the special drawing right shall be calculated at the rate for the currency as determined by the Fund in accordance with the Fund's Rules and Regulations in effect when the calculation is made, subject to Paragraph 7(a).

2. (a) Calls under this agreement shall be made only (i) in respect of purchases to be made with supplementary financing under the facility established by Executive Board Decision No. 5508-(77/127), adopted August 29, 1977, which is hereinafter referred to as "the facility," or (ii) by agreement with the United States, in order to enable the Fund to repay a claim under another agreement connected with the facility when repayment is made under that agreement because of a balance of payments need.

(b) The Fund shall give the United States as much advance notice as possible of the Fund's intention to make calls.

(c) The United States may represent that its balance of payments and reserve position does not justify calls or further calls under this agreement. The Fund, in considering the representation, shall give the United States the overwhelming benefit of any doubt. After consultation with the United States, in which the Fund shall give the United States the overwhelming benefit of any doubt, the Fund may make calls or further calls at a later date when in the opinion of the Fund the balance of payments and reserve position of the United States improves sufficiently to justify calls or further calls.

¹ TIAS 1501, 6748, 8937; 60 Stat. 1410; 20 UST 2775; 29 UST 2203.

TIAS 9406

(d) When a call is made, the United States shall deposit to the Fund's account with the Federal Reserve Bank of New York, New York within three business days after the call an amount of United States dollars equivalent to the amount of the call at the rate for the currency as determined by the Fund in accordance with the Fund's Rules and Regulations.

3. The Fund shall issue to the United States on its request an instrument evidencing the amount, expressed in special drawing rights, that the Fund is committed to repay under this agreement. Upon repayment of the amount of any instrument and all accrued interest, the instrument shall be canceled. If less than the amount of any such instrument is repaid, the instrument shall be canceled and a new instrument for the remainder of the amount shall be substituted with the same maturity dates as in the old instrument. If all or part of the amount of a claim is transferred under 8 below, a new instrument or instruments shall be substituted on request for the old instrument with the same maturity dates as in that instrument.

4. (a) The Fund shall pay interest on the amount that the Fund is committed to repay under this agreement in accordance with the following provisions:

- (i) The initial rate of interest on all outstanding claims shall be seven per cent per annum. This rate shall apply until June 30, 1978.
- (ii) Six months after June 30, 1978, and at intervals of six months thereafter, the Fund shall calculate, in the manner set forth in (iii) below, the rate of interest to be paid on outstanding claims for the period of six months prior to the calculation.
- (iii) The interest rate on outstanding claims for a period of six months shall be the average of the daily yields during that period on actively traded U.S. government securities, determined on the basis of a constant maturity of five years, as published each week by the Federal Reserve Board, Washington, D.C. in statistical release H-15 or any substitute publication, or if such publication shall cease, as certified by the U.S. Treasury, provided that this average shall be rounded up to the nearest one-eighth of one per cent.

(iv) Interest shall be paid promptly after June 30 and December 31 of each year on the average daily balances outstanding during the preceding six months of the amounts the Fund is committed to repay under this agreement.

(b) No other fee, charge, or commission shall be imposed by the United States with respect to a deposit pursuant to a call under Paragraph 2(d) or with respect to any other aspect of a call.

5. (a) Subject to the other provisions of this Paragraph 5, the Fund shall repay the United States an amount equivalent to any deposit pursuant to a call under Paragraph 2 in eight equal semi-annual installments to commence three and one half years, and to be completed not later than seven years, after the date of the deposit.

(b) The Fund may repay the United States in advance of the repayments required by Paragraph 5(a) to the extent that: (i) a repurchase is attributed, in accordance with the Fund's practice, to a purchase under the facility for which the Fund has received resources from the United States under this agreement, or (ii) the United States agrees to receive repayment.

(c) If at any time the United States represents that there is a balance of payments need for repayment of part or all of the amount the Fund is committed to repay under this agreement and requests such repayment, the Fund, in considering the representation and deciding whether to make repayment, shall give the United States the overwhelming benefit of any doubt.

(d) Repayments under Paragraph 5(b) and (c) shall discharge the installments prescribed by Paragraph 5(a) in the order in which they become due.

6. The Fund shall consult the United States in order to agree with it on the means in which payments of interest and repayment shall be made, but, if agreement is not reached, the Fund shall have the option to make payment or repayment in United States dollars, or special drawing rights, or any currency deemed by the Fund to be freely usable or any currency that can be exchanged at the time of the payment or repayment for a freely usable currency at a rate of exchange that would yield value equal in terms of the special drawing right to payment or repayment in a freely usable currency, or any combination of these means of payment or repayment.

7. (a) If the Fund decides to make a change in the method of valuation of the special drawing right, the United States shall have the option to require immediate repayment of all outstanding claims on the basis of the method of valuation in effect before the change.

(b) If the United States exercises its option under Paragraph 7(a), it shall have the further option to cancel this agreement.

8. (a) For value agreed between transferor and transferee, transfers may be made at any time of all or part of a claim to repayment under this agreement in accordance with the following provisions:

(i) Transfers may be made to any contracting party, any member, a member's national official financial institutions (hereinafter referred to as a member's "institution"), or any institution that performs functions of a central bank for more than one member.

(ii) Transfers may be made to transferees other than those referred to in (i) above with the prior consent of the Fund and on such terms and conditions as it may prescribe.

(b) The transferor of a claim shall inform the Fund promptly of the claim that is being transferred, the transferee, the amount of the transfer, the agreed value for the transfer, and the value date. The transfer will be registered by the Fund if it is in accordance with this agreement. The transfer shall be effective for the purposes of this agreement as of the value date agreed between the transferor and transferee.

(c) If all or part of a claim is transferred during a period of six months as described in Paragraph 4, the Fund shall pay interest on the amount of the claim transferred for the whole of that period to the transferee.

(d) Subject to (c) and to any terms and conditions prescribed under (a)(ii), the claim of a transferee shall be the same in all respects as the claim of the transferor, except that Paragraph 5(c) shall apply only if, at the time of the transfer, the transferee is a member, or the institution of a member, that is in a net creditor position in the Fund and in the opinion of the Fund the member's currency could be used in net sales in the Fund's currency budgets for the foreseeable future.

(e) If requested, the Fund shall assist in arranging transfers.

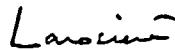
9. If the United States withdraws from the Fund, this agreement shall terminate and the amount that the Fund is committed to repay under this agreement shall be repaid in accordance with the terms of this agreement, provided that repayment shall be made, at the option of the Fund, in United States dollars or in a currency deemed by the Fund to be freely usable, or in such other currency as may be agreed with the United States.

10. In the event of liquidation of the Fund the amounts the Fund is committed to repay to the United States shall be immediately due and payable as liabilities of the Fund under the provisions of the Articles on liquidation of the Fund. For the purposes of these provisions the currency in which the liability is payable shall be, at the option of the Fund, United States dollars, or a currency deemed by the Fund to be freely usable, or any other currency agreed with the United States.

11. Any question of interpretation that arises under this agreement that does not fall within the purview of the provisions of the Articles on interpretation shall be settled to the mutual satisfaction of the United States and the Fund.

If the foregoing proposal is acceptable to the United States, this communication and your duly authenticated reply shall constitute an agreement between the United States and the Fund, which shall enter into force on the date on which the Fund receives your reply.^[1]

Very truly yours,



J. de Larosiere
Managing Director

The Honorable
W. Michael Blumenthal
Secretary of the Treasury
Washington, D.C. 20220

¹ Jan. 16, 1979.

*The Secretary of the Treasury to the Managing Director of the
International Monetary Fund*



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

January 12, 1979

Dear Mr. de Larosiere:

This is in reply to your proposal of January 5, for the United States to make available to the Fund, at call, United States dollars, in connection with the establishment of the Supplementary Financing Facility. The United States, in accordance with its law (P.L. 95-435^[1] and P.L. 95-481^[2]), hereby agrees to make available to the Fund, on the terms and conditions stated in your letter of January 5, United States dollars in amounts that in total do not exceed \$1,831,640,000 nor the equivalent of SDR 1,450,000,000.

The United States further agrees that your letter dated January 5, 1979 and this reply constitute an agreement between the United States and the Fund, to take effect on the date you receive this reply.

Sincerely yours,

W. M. Blumenthal

W. Michael Blumenthal

Mr. J. de Larosiere
Managing Director
International Monetary Fund
Washington, D.C. 20431

¹ 92 Stat. 1051; 22 U.S.C. § 286.

² 92 Stat. 1591; 22 U.S.C. § 2151 note.

FEDERAL REPUBLIC OF GERMANY

Criminal Investigations

*Agreement effected by exchange of letters
Signed at Bonn and Washington January 10 and
February 1, 1979;
Entered into force February 1, 1979.*

*The German Director, Criminal Division, Federal Ministry of Justice,
to the Assistant Attorney General, Criminal Division*

Ministerialdirektor Wilhelm Schneider

im

Bundesministerium der Justiz

- 9361 - A 5 - 4 - 27 002/79 -

²
53 Bonn-Bad Godesberg 1, den 10. Januar 1979
-Gesamtausgabe 4-Postrach-610- Heinemannstr.6
Ruf: 56-1 bei Durchwahl 58 4225

Herrn
Philip B. Heymann
Assistant Attorney General
Criminal Division
Justizministerium der Vereinigten
Staaten von Amerika

Washington D.C./USA

Betr.: Angebliche Zahlungen der Firma McDonnell-Douglas
im Zusammenhang mit Verkaufsmaßnahmen im Ausland

Sehr geehrter Herr Heymann,

wie ich erfahren habe, hat die "Securities and Exchange Commission" Klage gegen die McDonnell-Douglas-Corporation wegen Verletzung der Federal Securities Laws erhoben, weil diese Firma seit 1969 15,6 Millionen Dollar rechtswidrig zur Förderung ihrer Verkäufe im Ausland ausgegeben haben soll. Ein gewisser Betrag davon soll auch an einen deutschen Staatsangehörigen gezahlt worden sein.

Um evtl. strafrechtlich bedeutsame Vorwürfe gegen diesen deutschen Staatsangehörigen klären lassen zu können, wäre das Bundesministerium der Justiz der Bundesrepublik Deutschland interessiert, die diesbezüglichen Unterlagen, die sich bei der Securities and Exchange Commission befinden sollen,

zu erhalten. Als Grundlage dafür könnte meines Erachtens das deutsch-amerikanische Abkommen vom 24. September 1976 betreffend die gegenseitige Hilfe bei der Ausübung der Rechtspflege im Zusammenhang mit der Angelegenheit der Flugzeugfirma Lockheed dienen. Diese Möglichkeit war bereits unter Nr. 2 Buchstabe b) der vereinbarten Niederschrift vom 24. September 1976 vorgesehen worden.

Ich beeche mich deshalb, sehr geehrter Herr Heymann, Ihnen vorzuschlagen, daß das deutsch-amerikanische Abkommen vom 24. September 1976 auch auf den vorliegenden Fall angewandt wird. Dieses Schreiben und Ihre Bestätigung, daß auch das Justizministerium der Vereinigten Staaten von Amerika bereit ist, das deutsch-amerikanische Abkommen vom 24. September 1976 auf den vorliegenden Fall anzuwenden, würde die in der vereinbarten Niederschrift vom 24. September 1976 vorgesehene Vereinbarung im Wege des Briefwechsels darstellen, die mit dem Datum Ihres Antwortschreibens in Kraft tritt.

Ich wäre sehr dankbar, wenn das amerikanische Justizministerium veranlassen könnte, daß die diesen Fall betreffenden Unterlagen möglichst bald zur Verfügung gestellt werden.

Mit vorzüglicher Hochachtung

Wilhelm Künneke

TRANSLATION

Ministerialdirektor Wilhelm Schneider
Federal Ministry of Justice
- 9361 - A 5 - 4 - 27 002/79 -

53 Bonn 2, 10. January 1979
Heinemannstr. 6
Tel: 58-1, Ext. 4225

Mr. Philip B. Heymann
Assistant Attorney General
Criminal Division
Department of Justice
Washington, D.C.

Subject: Alleged Payments made by the McDonnell-Douglas Corporation in Connection with Foreign Sales

Dear Mr. Heymann,

It has come to my attention that the Securities and Exchange Commission has filed suit against the McDonnell Corporation for violation of the Federal Securities Laws, as the corporation allegedly has since 1969 made illegal payments in the amount of 15.6 million Dollars for the purpose of promoting sales abroad. A certain amount of this sum has allegedly been paid to a citizen of the Federal Republic of Germany.

In order to permit clarification of allegations of penal relevance against this German citizen, the Ministry of Justice of the Federal Republic of Germany would be interested in obtaining the relevant documents which are supposedly in the possession of the Securities and Exchange Commission. A basis for this transfer could, in my view, be the German/American Agreement concerning Mutual Assistance in the Administration of Justice in connection with the Lockheed Aircraft Corporation matter. This possibility has been provided for under para. 2 b of the agreed minutes of September 24, 1976.^[1]

^[1] TIAS 8373; 27 UST 3432.

Therefore, dear Mr. Heymann, I should like to suggest that the German/American agreement of September 24, 1976, be applied to the subject matter. This letter and your confirmation to the effect that the Office of the Attorney General of the United States, too, agrees to apply the German/American agreement of September 24, 1976, to the subject matter would constitute the agreement by means of correspondence as provided for under the agreed minutes of September 24, 1976, the effective date being the date of your reply letter.

I would highly appreciate if the US Attorney General's Office could arrange for a soon provision of the documents related to the subject matter.

Sincerely,
Wilhelm Schneider.

The Assistant Attorney General, Criminal Division, to the German Director, Criminal Division, Federal Ministry of Justice



United States Department of Justice

ASSISTANT ATTORNEY GENERAL
CRIMINAL DIVISION
WASHINGTON, D.C. 20530

FEB 1 1979

Honorable Wilhelm Schneider
Director
Criminal Division
Federal Ministry of Justice
53 Bonn 2, Germany

Dear Mr. Schneider:

I have the honor to refer to your letter of January 10, 1979, which states in pertinent part as follows:

"It has come to my attention that the Securities and Exchange Commission has filed suit against the McDonnell Corporation for violation of the Federal Securities Laws, as the corporation allegedly has since 1969 made illegal payments in the amount of 15.6 million Dollars for the purpose of promoting sales abroad. A certain amount of this sum has allegedly been paid to a citizen of the Federal Republic of Germany.

In order to permit clarification of allegations of penal relevance against this German citizen, the Ministry of Justice of the Federal Republic of Germany would be interested in obtaining the relevant documents which are supposedly in the possession of the Securities and Exchange Commission. A basis for this transfer could, in my view, be the German/American Agreement concerning Mutual Assistance in the Administration of Justice in connection with the Lockheed Aircraft Corporation matter. This possibility has been provided for under para. 2 b of the agreed minutes of September 24, 1976.

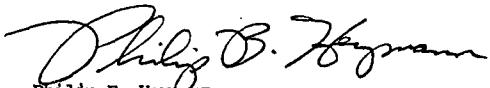
Therefore, dear Mr. Heymann, I should like to suggest that the German/American agreement of September 24, 1976, be applied to the subject matter. This letter and your confirmation to the effect that the Office of the Attorney General of the United States, too, agrees to apply the German/American agreement of September 24, 1976, to the subject matter would constitute the agreement by means of correspondence as provided for under the agreed minutes of September 24, 1976, the effective date being the date of your reply letter.

I would highly appreciate if the US Attorney General's Office could arrange for a soon provision of the documents related to the subject matter."

This letter of reply concerning the proposed extension of the Agreement of September 24, 1976, so as to include the activities of the McDonnell Douglas Corporation, and its subsidiaries and affiliates, as requested in your above-mentioned letter of January 10, 1979, constitutes an agreement between the Federal Minister of Justice of the Federal Republic of Germany and the United States Department of Justice effective this date.

Please accept the renewed assurances of my consideration.

Sincerely,



Philip B. Heymann
Assistant Attorney General
Criminal Division

FEDERAL REPUBLIC OF GERMANY

Operation of Radio Installation at Erching

*Agreement signed at Bonn January 22 and 26, 1979;
Entered into force January 26, 1979.*

AGREEMENT BETWEEN THE UNITED STATES INTERNATIONAL COMMUNICATION
AGENCY AND THE DEUTSCHE BUNDESPOST REGARDING OPERATION OF THE
RADIO INSTALLATION AT ERCHING

The United States International Communication Agency and the Deutsche Bundespost express their agreement concerning the operation of the radio installation located at Erching in the Federal Republic of Germany as follows:

ARTICLE I

Pursuant to a letter from the Federal Ministry for Foreign Affairs of August 19, 1955 (200-454-07/9570/55),^[1] which makes reference to and is based on the agreement regarding operation of certain radio installations from within the Federal Republic of Germany, dated June 11, 1952,^[2] the Government of the United States owns all property and equipment for a longwave radio transmitting facility located at Erching, Bavaria.

ARTICLE II

The United States International Communication Agency, as the responsible agency of the United States, agrees herewith to permit the Deutsche Bundespost to operate the Agency's long-wave radio transmitting facility located at Erching at all times during the term of this agreement except in times of emergency.

¹ Not printed.

² TIAS 3559; 7 UST 789.

ARTICLE III

The long-wave radio transmitting facility consists of two 500 kw long-wave transmitters and associated diesel power generating plant and one long-wave vertical antenna, situated on approximately one hundred and eighty-nine (189) acres of land. The International Communication Agency grants to the Deutsche Bundespost the right to make all modifications and additions necessary for the operation and maintenance of the transmitting facility, subject to the prior knowledge and approval of the Agency. Upon termination of this agreement, the Deutsche Bundespost may elect to abandon any or all modifications and additions made to the facility, in which case title shall pass to the International Communication Agency, or to remove any such modification or addition and restore the facility to its original condition. Equipment and supplies provided by the International Communication Agency remain the property of the United States and may not be sold or otherwise disposed of without the consent of the Agency. Proceeds from the sale or other disposition of such equipment and supplies will be turned over to the International Communication Agency.

ARTICLE IV

All expenditures necessary to the modification, continued maintenance and operation of the transmitting facility shall be paid directly by the Deutsche Bundespost except in a period during which the facility is operated by the International Communication Agency pursuant to Article II.

ARTICLE V

The Deutsche Bundespost will maintain the long-wave radio transmitting facility in good repair and in sound operating condition. Responsibility for the total operation of the facility shall rest solely with the Deutsche Bundespost except during times of emergency. The International Communication Agency shall have no responsibility for the contents of the programs.

ARTICLE VI

A joint physical survey and inspection report of the radio transmitting facility shall be made as of the effective date of this agreement, enumerating the equipment and supplies and reflecting the present condition, and will be signed on behalf of the parties hereto.

ARTICLE VII

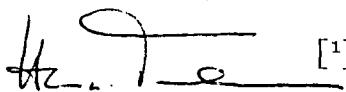
The Deutsche Bundespost agrees to indemnify and hold harmless the Government of the United States, its officers, agents and employees, from and against all claims, suits, demands and liability of any kind or nature in any way arising out of the administration, operation, maintenance or modification of the radio transmitting facility. The Deutsche Bundespost also agrees to indemnify and hold harmless the Government of the United States against loss of, damage to, or loss of the use of the radio transmitting facility arising from the administration, operation, maintenance or modification of the facility or from the act or the negligence of agents or employees of the Deutsche Bundespost.

TIAS 9408

ARTICLE VIII

This agreement will become effective on January 26th, 1979 and will remain in force until terminated by either party upon twelve months prior written notice to the other, which notice shall be given not sooner than seven years from the effective date.

For the International
Communication Agency



Date: January 22, 1979

For the Deutsche Bundespost



Date: January 26, 1979

¹Hans N. Tuch.
²Elias.

ABKOMMEN ZWISCHEN DER UNITED STATES INTERNATIONAL COMMUNICATION AGENCY UND DER DEUTSCHEN BUNDESPOST ÜBER DEN BETRIEB DER RUNDFUNKEINRICHTUNG IN ERCHING

Die United States International Communication Agency und die Deutsche Bundespost erklären ihre Übereinstimmung hinsichtlich des Betriebs der in Erching, Bundesrepublik Deutschland, gelegenen Rundfunkeinrichtung wie folgt:

ARTIKEL I

Gemäß einem Brief des Auswärtigen Amtes vom 19. August 1955 (200-454-07/9570/55), der sich auf das Abkommen vom 11. Juni 1952 über das Betreiben bestimmter Rundfunkanlagen vom Gebiet der Bundesrepublik Deutschland aus bezieht und stützt, ist die Regierung der Vereinigten Staaten Eigentümerin des gesamten Grundstücks sowie aller Einrichtungen für eine in Erching, Bayern, befindliche Langwellen-Rundfunksendeanlage.

ARTIKEL II

Die United States International Communication Agency als die zuständige Behörde der Vereinigten Staaten erklärt sich hiermit einverstanden, der Deutschen Bundespost die Genehmigung zu erteilen, die Langwellen-Rundfunksendeanlage der Agency in Erching jederzeit während der Dauer dieses Abkommens außer in Zeiten des Notstands zu betreiben.

ARTIKEL III

Die Langwellen-Rundfunksendeanlage besteht aus zwei Langwellensendern mit einer Leistung von je 500 kW und dem dazugehörigen Diesel-Stromerzeugungsaggregat sowie einer Langwellen-Vertikalanntenne, die sich auf einem Grundstück von etwa einhundertneunundachtzig (189) "Acre"⁺ befinden. Die International Communication Agency gewährt der Deutschen Bundespost das Recht, alle Änderungen und Erweiterungen vorzunehmen, die für das Betreiben und die Unterhaltung der Sendeanlage erforderlich sind, nachdem die Agency zuvor davon in Kenntnis gesetzt worden ist und ihre Zustimmung gegeben hat. Bei Kündigung dieses Abkommens kann die Deutsche Bundespost auf einzelne oder alle Änderungen oder Erweiterungen an der Anlage verzichten, wobei der Rechtsanspruch an die International Communication Agency übergeht, oder eine solche Änderung oder Erweiterung rückgängig machen und die Anlage wieder in ihren ursprünglichen Zustand zurückversetzen. Einrichtungen sowie Vorräte, die von der International Communication Agency bereitge-

⁺Anmerkung zur Übersetzung: Ein (1) "Acre=4047 m²
(Quelle: Webster's New International Dictionary)
(Footnote in the original.)

stellt wurden, bleiben Eigentum der Vereinigten Staaten und können nicht ohne Zustimmung der Agency verkauft oder sonstwie veräußert werden. Erlöse aus dem Verkauf oder einer sonstigen Veräußerung dieser Einrichtungen und Vorräte werden an die International Communication Agency weitergeleitet.

ARTIKEL IV

Alle Ausgaben, die für die Änderung, die laufende Unterhaltung und das Betreiben der Sendeanlage erforderlich sind, sind unmittelbar von der Deutschen Bundespost zu bestreiten; ausgenommen davon ist die Zeit, in der die Anlage von der International Communication Agency gemäß Artikel II betrieben wird.

ARTIKEL V

Die Deutsche Bundespost erhält die Langwellen-Rundfunksendeanlage in gutem Zustand und in einem einwandfreien Betriebszustand. Die Verantwortung für den gesamten Betrieb der Anlage liegt ausschließlich bei der Deutschen Bundespost außer in Zeiten des Notstands. Die International Communication Agency trägt keine Verantwortung für den Inhalt der Programme.

ARTIKEL VI

Es wird ein gemeinsamer Bericht über die körperliche Bestandsaufnahme und Begehung der Rundfunksendeanlage mit Datum des Inkrafttretens dieses Abkommens unter Aufzählung der Einrichtungen und Vorräte sowie Darstellung des derzeitigen Zustandes erstellt, der für die beiden Parteien dieses Abkommens unterzeichnet wird.

ARTIKEL VII

Die Deutsche Bundespost erklärt sich damit einverstanden, die Regierung der Vereinigten Staaten, ihre Beamten, Vertreter und Bediensteten für alle Ansprüche, Prozesse, Forderungen und Haftung jeglicher Art, die sich irgendwie aus der Verwaltung, dem Betreiben, der Unterhaltung oder der Änderung der Rundfunksendeanlage ergeben, klag- und schadlos zu halten. Die Deutsche Bundespost erklärt sich ebenfalls damit einverstanden, die Regierung der Vereinigten Staaten für den Verlust, die Beschädigung oder der Nutzungsausfall der Rundfunksendeanlage, die sich aus der Verwaltung, dem Betreiben, der Unterhaltung oder der Änderung der Anlage oder aufgrund des Eingreifens oder der Nachlässigkeit der Vertreter oder Bediensteten der Deutschen Bundespost ergeben, zu entschädigen und klag- und schadlos zu halten.

ARTIKEL VIII

Dieses Abkommen tritt am 26. Januar 1979 in Kraft und bleibt solange bestehen, bis es von einer der beiden Parteien nach schriftlicher Kündigung gegenüber der anderen mit einer Frist von

zwölf Monate gekündigt wird, wobei diese Kündigung nicht früher als sieben Jahre nach dem Datum des Inkrafttretens ausgesprochen wird.

FÜR DIE INTERNATIONAL
COMMUNICATION AGENCY

HANS N. TUCH

Datum: 22 JANUAR 1979

FÜR DIE DEUTSCHE
BUNDESPOST

ELIAS

Datum: 26 JANUAR 1979

COLOMBIA

Scientific and Technical Cooperation in Earth Sciences

*Memorandum of understanding signed at Reston and Bogotá
December 12, 1978 and January 30, 1979;
Entered into force January 30, 1979.*

MEMORANDUM OF UNDERSTANDING BETWEEN INSTITUTO NACIONAL DE INVESTIGACIONES MINERAS OF THE COLOMBIAN MINISTERIO DE MINAS Y PETROLEOS AND GEOLOGICAL SURVEY OF THE DEPARTMENT OF THE INTERIOR OF THE UNITED STATES OF AMERICA FOR SCIENTIFIC AND TECHNICAL COOPERATION IN THE EARTH SCIENCES

ARTICLE I. Scope and Objectives of Agreement

In order to provide a mechanism for scientific and technical cooperation in the earth sciences, the Instituto Nacional de Investigaciones Mineras of the Colombian Ministerio de Minas y Energía (hereinafter referred to as the INGEOMINAS), and the Geological Survey of the United States Department of the Interior, (hereinafter referred to as the USGS), have agreed to procedures for cooperation as defined in this Memorandum of Understanding (hereinafter referred to as Memorandum).

The purpose of the proposed cooperation is to exchange scientific and technical knowledge and to augment the technical capabilities of both parties. The cooperation is expected to include exchanges of information and expertise, and joint studies of geological phenomena and earth resources of mutual interest. For cooperation requested by the INGEOMINAS that extends into subjects outside the scope of the USGS, the USGS may, with the concurrence of the INGEOMINAS and when compatible with existing United States laws, executive orders, regulations and policies, endeavor to enlist the participation of other United States organizations.

ARTICLE II. Cooperative Activities

Cooperative activities under this Memorandum may consist of exchanges of scientific and technical information, and exchange visits

by scientists of the two parties engaged in research projects of mutual interest within the scope of regularly authorized and funded programs of the INGEOMINAS and the USGS.

Such activities may include, but are not limited to, such areas of mutual interest as: development and use of computerized data systems for resource studies; application of satellite and airborne remote sensing techniques in geologic mapping and mineral deposit identification; application of geophysical and geochemical exploration techniques in tropical environments; interpretation and evaluation of data from geological and mineral surveys; planning of mineral projects; and development of geotechnical laboratory capacity.

ARTICLE III. Sources of Financial Support

The activities carried out under this Memorandum will be subject to and dependent upon the funds and manpower available to INGEOMINAS and the USGS. Each party will cover its own costs except in cases where special financing is available for selected activities; in such cases, the terms of financing will be agreed upon by the parties before the commencement of activities.

ARTICLE IV. Reports, Documents and Release of Information

Subject to the applicable laws and regulations of the two parties, information, data and reports of cooperative activities undertaken under this Memorandum may only be released after mutual written consent.

The commitment of the USGS to preserve the confidentiality of information is subject to the provisions of the Freedom of Information Act [1] and other applicable United States laws and regulations.

ARTICLE V. Representation and Review of Activities

The signatory parties to this Memorandum, and to the annexes thereto, will designate representatives who, at times mutually established by the parties, will review the activities jointly developed, will prepare progress reports required by the INGEOMINAS and the USGS, and will make plans for future activities.

ARTICLE VI. Warranty

Information transmitted by one party to the other party under this Memorandum shall be accurate to the best knowledge and belief of the transmitting party; the transmitting party does not warrant the suitability of the information transmitted for any particular use or application by the receiving party or by any third party. Information developed jointly by the parties shall be accurate to the best knowledge and belief of both parties. Neither party warrants the accuracy of the jointly developed information or its suitability for any particular use or application by either party or by any third party.

¹ 80 Stat. 250; 5 U.S.C. § 552.

ARTICLE VII. Annexes

Any activity agreed upon within the terms of this Memorandum which involves, in the view of both parties, a substantial amount of manpower or an expenditure of funds, must be described in a project description attached as an annex to this Memorandum. Such an annex will set forth a work plan, staffing requirements, cost estimates, funding sources, and any other special conditions not included in this Memorandum. In case of any inconsistency between the terms of this Memorandum and the terms of an annex, the terms of this Memorandum shall be controlling.

ARTICLE VIII. Limitation of Liability

Neither party to this Memorandum will assert a claim against the other for damages arising from activities under this Memorandum. With respect to third parties, each party to this Memorandum will accept liability to the extent authorized by its national laws, for damages arising only from its own conduct, or that of its employees or agents under this Memorandum.

ARTICLE IX. Entry into Force and Termination

This Memorandum shall enter into force upon signature by both parties and remain in force for five (5) years, unless extended by mutual agreement. This Memorandum may be terminated by either party upon ninety (90) days written notice.

Upon termination of this Memorandum projects already initiated under the same may continue under the terms of the annexes.

INSTITUTO NACIONAL DE INVESTIGACIONES
MINERAS OF THE COLUMBIAN
MINISTERIO DE MINAS Y
ENERGÍA

By: MICHEL HERMELIN
[SEAL]

Date: 30 ENE. 1979

GEOLOGICAL SURVEY OF THE
U.S. DEPARTMENT OF THE INTERIOR

By: J R BALSLEY
Acting Director

Date: 12 DEC 1978

UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND

Deep Sea Drilling Project

*Agreement amending the memorandum of understanding of
September 29, 1975.*

*Signed at Washington and London December 2, 1977 and
January 31, 1978;*

Entered into force January 31, 1978.

Amendment to
MEMORANDUM OF UNDERSTANDING^[1]
between the U.S. National Science Foundation
in Washington, D.C.
and the Natural Environment Research Council
in London
on the participation of the United Kingdom
in the International Phase of Ocean Drilling (IPOD)
an extension of the Deep Sea Drilling Project (DSDP)

Drilling operations during IPOD have been extended through September 30, 1979, an additional fourteen months from that planned when the Memorandum of Understanding was signed. The Natural Environment Research Council wishes to continue to cooperate in the project during the extension and the U.S. National Science Foundation desires the continued cooperation of the Natural Environment Research Council. Therefore, it is agreed that Article 1 of the Memorandum of Understanding is amended to read as follows:

"1. The Natural Environment Research Council will support the IPOD phase of the DSDP with a total contribution of \$1,000,000 per annum, in cash or in kind, as mutually agreed to be made available, beginning on October 1, 1975, for the first four years of the IPOD phase of DSDP through September 30, 1979. The financial contributions of all participants in the DSDP will be commingled to support the total program costs. Should DSDP drilling operations be terminated prior to September 30, 1979, a refund of \$83,333 will be made for each month of terminated drilling for which contributions have been made."

¹ Signed Sept. 29, 1975. TIAS 8591; 28 UST 3646.

Dec. 2, 1977
Jan. 31, 1978

This amendment will be effective upon signature of both parties to this amendment.

For the Natural Environment Research
Council

by J. D. Beament
J. D. L. Beament
Chairman

31 January 1978

Date

For the U.S. National Science
Foundation

by John B. Slaughter
John B. Slaughter
Assistant Director
Astronomical, Atmospheric,
Earth, and Ocean Sciences

2 Dec. 1977

Date

GHANA
Agricultural Commodities

*Agreement signed at Accra February 9, 1979;
Entered into force February 9, 1979.
With agreed minutes.*

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

The Government of the United States of America and the Government of Ghana:

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 Ghana (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:

^[1] 68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

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 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 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.

TIAS 9411

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.

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:

<u>Commodity</u>	<u>Supply Period (U.S. Fiscal Year)</u>	<u>Approximate Maximum Quantity (Metric Tons)</u>	<u>Maximum Export Market Value (Millions)</u>
Wheat/Wheat Flour (Grain Equivalent Basis)	1979	38,000	\$ 5.9
Rice	1979	10,000	2.8
Corn/Sorghum	1979	10,000	<u>1.3</u>
TOTAL			\$10.0

ITEM III. PAYMENT TERMS: Convertible local currency credit (40 years)

1. Initial Payment - 5 percent
2. Currency Use Payment - 10 percent for Section 104(a) purposes
3. Number of Installment Payments - 31
4. Amount of Each Installment Payment - Approximately equal annual installments.
5. Due Date of First Installment Payment - 10 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.S. Fiscal Year)</u>	<u>Usual Marketing Requirement (Metric Tons)</u>
Wheat/Wheat Flour (Grain Equivalent Basis)	1979	82,000
Rice	1979	16,000
Feedgrains	1979	24,400

ITEM IV. EXPORT LIMITATIONS:

A. The export limitation period shall be U.S. Fiscal Year 1979 or any subsequent U.S. Fiscal Year during which commodities financed under this agreement are being utilized or imported.

B. For the purpose of Part I, Article III(A) (4) of the agreement, the commodities which may not be exported are: for wheat/wheat flour -- wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same product, under a different name); for rice -- rice in the form of paddy, brown or milled; and for feedgrains -- corn, sorghums, barley, oats and rye, including mixed feed containing such grains.

ITEM V. SELF-HELP:

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 GOG agrees to:

1. Reduce agricultural subsidies and insure incentive prices to farmers.
2. Improve small-scale farmer productivity potential through:

- a. Improving crop storage facilities, particularly in the Upper and Northern Regions.
 - b. Developing an effective network of feeder roads and an institutionalized, coordinated infrastructure to provide improved agricultural inputs (procurement, distribution, warehousing and sale) and marketing and extension services on a regular and timely basis.
 - c. Expanding lending operations to allow for consistent and timely access to agricultural credit.
 - d. Research to increase production of cereal grains.
3. Improve farm to market food distribution to assure that rice and maize produced in the Upper and Northern Regions benefit consumers in other regions.
 4. Support ongoing health care projects through:
 - a. Extending the supply of potable water in rural areas.
 - b. Extending the coverage of health care services with particular emphasis on rural areas.
 - c. Strengthening programs in health education, environmental health, epidemiological, maternal and child health, population activities and nutrition services.
 5. Conduct an official review of the current supply, distribution and trade data in the agricultural sector to determine completeness and validity for its utilization for economic development and related research analysis and projection and for Public Law 480-type programming. Particular emphasis will be given to updating supply/demand and trade data required for commodities proposed for P.L. 480 programming.

**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, Rural Development and Population Planning and Nutrition.

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

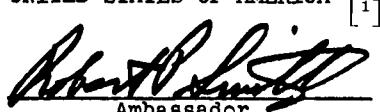
A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will 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 Accra, Ghana, in duplicate, this 9th day of February, 1979.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA


[1]
Robert P. Smith
Ambassador

FOR THE GOVERNMENT OF GHANA


[2]
Joseph D. Abbey
Commissioner for
Economic Planning

¹ Robert P. Smith.

² Joseph D. Abbey.

OFFICIAL AGREED MINUTES OF NEGOTIATING
SESSIONS ON P.L. 480 TITLE I AGREEMENT WITH THE GOVERNMENT
OF GHANA ON JANUARY 16 & 23 1979

At 11.45 a.m. both negotiating teams met in Commissioner Abbey's office. Those present were:

Commissioner Abbey; Principal Secretary Mary Chinery-Hesse; Principal Secretary Isaac Bissie; America's Desk Officer Dr. Eric Dankwa and Principal Economic Planning Officer Ollenu; on the U.S. side; Ambassador Smith, AID Mission Director Coker, Economic Officer Born and Food for Peace Officer Carter.

After being welcomed, Ambassador Smith opened with introductory remarks:

"Dr. Abbey, Mrs. Chinery-Hesse and External Aid Division Staff, I have the honor this morning to open negotiations with the GOG on the P.L. 480 Title I Agreement.

We wish that approval could have been sooner; however, you have previously been informed about the initial lack of allocation of Title I for Ghana and the steps the USG took to make this tranche available. This Title I Agreement has an export market value of \$10.0 million as outer limit and includes the following commodities: 38,000 metric tons (MT) of wheat valued at \$5.9 million; 10,000 MT of rice valued at \$2.8 million; and 10,000 MT of maize valued at \$1.3 million. The total tonnage of food grain is 58,000 metric tons.

We remain optimistic that additional commodities could be forthcoming in this fiscal year ending September 30. We are guided by the budget constraints and rising prices in the United States; therefore a wait-and-see attitude must be adopted in hopes that more funds become available during this fiscal year. You may be assured that the U.S. Mission Team will keep the pressing needs of Ghana for more program aid before Washington.

We wish you to know that the USG is very supportive of the economic development policies your government is undertaking."

Commissioner Abbey thanked the Ambassador for his kind words and for the receptivity of the U.S. to the GOG request for Title I assistance. He acknowledged the difficulties associated with getting Title I allocated to Ghana in FY 79 (especially since the GOG had not provided evidence prior to July that it would embark on a stabilization effort) and added that he hoped other commodities listed in the original request for FY 79 would be considered.

Commissioner Abbey expressed satisfaction in the knowledge that this assistance would be very beneficial to many Ghanaians. He said he hoped that both negotiating teams could move quickly to finalize the agreement.

Ambassador Smith assured him of all cooperation from the US side and left materials to be studied by the GOG.

Commissioner Abbey, Ambassador Smith and Principal Secretary Bissie had to leave for other meetings, so the negotiating teams adjourned to the office of the Principal Secretary for Economic Planning, Mrs. Mary Chinery-Hesse. The session recommenced at 12.15 p.m. with Mr. Coker elaborating on the specifics of the agreement. It was agreed from the outset by both parties that detailed official minutes of the negotiation sessions would be kept and initialled.

The following points were highlighted by AID Mission Director Coker:

The Preamble and Parts I and III are standard documents and are applicable to all P.L. Title I Agreements and are not negotiable. This point was accepted by Mrs. Chinery-Hesse.

Part II, Particular Provisions, is subject to negotiation. Except as authorized by Washington, instructions must be fully adhered to.

The commodity composition for FY 79 was described:

-	Wheat/Wheat Flour (Grain Equivalent Basis)	38,000 MT	\$ 5.9 million
-	Rice	10,000 MT	\$ 2.8
-	Corn/Sorghum	<u>10,000 MT</u>	<u>\$ 1.3</u>
	Total	58,000 MT	\$10.0 million

In light of current fiscal year limitations on overall commodity and P.L. 480 fund availabilities, the export market value (\$10.0 million) may not be exceeded.

Explanation:

This means that, if commodity prices increase over those mentioned above, the quantity to be financed under the agreement will be less than the approximate maximum quantity of 58,000 metric tons. However, should actual prices be lower at time of purchase, the GOG may purchase up to maximum export market valued (\$10.0 million).

Mr. Coker expressed the hope that an additional allocation would be forthcoming, then he described the very concessional financial terms of the agreement:

Terms of 40 years' credit:

- 10 years' grace period at interest rate of 2%
- 30 years' curtailment of principal at interest rate of 3%
- Number of installments - 31
- Amount of each installment is approximately equal annually
- Due date of first installment is 10 years from date of last delivery of commodities in each calendar year.
- Initial Payment - maximum would be \$500,000 (5% of purchase price of commodities upon delivery of same at U.S. port).
- Currency Use Payment (CUP) - maximum amount is 10% of the final purchase price. (It is intended to require currency use payments "in cedis" sufficient to cover payment of normal U.S. obligations in the country for one year or \$1.0 million or cedis equivalent).
- Ocean Freight Costs - estimated at approximately \$2.5 million (These funds must be available for immediate transfer to cover such costs). Cargo Preference Act requires that at least 50% of commodities be shipped on U.S. flag vessels. Ocean freight differential is available from the Commodity Credit Corporation of the U.S. Department of Agriculture.

The Usual Marketing Requirements were quoted:

- Wheat/Wheat Flour (Grain Equivalent Basis)	82,000 MT
- Rice	16,000 MT
- Feedgrains	24,400 MT

The U.S. negotiators observed that the quoted UMR's reflected a five-year average (1972/73 - 1976/77) for Wheat/Wheat Flour; (1973/77) for rice; and (1972/73 - 1976/77) for feedgrains. The UMR averages were derived by using a combination of data supplied by the GOG and from the USDA agricultural data bank. Concessional sales and imports from non-Western countries are excluded from UMR computations.

Mrs. Chinery-Hesse asked that the UMR for feedgrains be waived on the grounds that in the last five years these purchases were not normal commercial procurement, but rather abnormal purchases brought about by drought and emergency conditions in the country. She pointed out that this issue was raised with the USDA representative who came from Washington and was also footnoted in the commodity supply/distribution tables.

Mr. Coker said that Washington would be queried on this point and an answer should be returned by the next session (January 23). Mr. Coker went on to stress that the following export limitations and self-help provisions had to be adhered to:

Export Limitations

A. The export limitation period shall be U.S. Fiscal Year 1979 or any subsequent U.S. Fiscal Year during which commodities financed under this agreement are being utilized or imported.

B. For the purpose of Part I, Article III (A) (4) of the agreement, the commodities which may not be exported are for wheat/wheat flour--- wheat, wheat flour, rolled wheat, semolina, farina, or bulgar (or the same product, under a different name); for rice --- rice in the form of paddy, brown or milled; and for feedgrains--- corn, sorghums, barley, oats, and rye, including mixed feed containing such grains.

Self-help

A. In the implementation of the proposed self-help measures specific emphasis will be placed on contributing directly to development progress in poor rural areas and to enable the poor to participate actively in increasing agricultural production through small farm agriculture.

B. The GOG agrees to:

1. Reduce agricultural subsidies and insure incentive prices to farmers.
2. Improve small-scale farmer productivity potential through:
 - a) Establishing and improving crop storage facilities, particularly in the Upper and Northern Regions.
 - b) Developing an effective network of feeder roads and an institutionalized, coordinated infrastructure to provide improved agricultural inputs (procurement, distribution, warehousing and sales) and marketing and extension services on a regular and timely basis.

- c) Expanding lending operations to allow for consistent and timely access to agricultural credit.
 - d) Research to increase production of cereal grains.
3. Improve farm to market food distribution to assure that rice, maize and beans produced in the Upper and Northern Regions benefit consumers in other regions.
4. Support ongoing health care projects through:
- a) Extending the supply of potable water in rural areas.
 - b) Extending the coverage of health care services with particular emphasis on rural areas.
 - c) Strengthening programs in health education, environmental health, epidemiological, maternal and child health, family planning and nutrition services.
5. Conduct an official review of the current supply distribution and have data in the agricultural sector to determine completeness and validity for U.S. utilization for economic development and related research analysis and projection and for Public Law 480 type programming. Particular emphasis will be given to updating supply/demand and trade data required for commodities proposal for P.L. 480 programming.
6. In cooperation with the USG namely, the USAID to develop a system for data collection, analysis, and reporting that will measure progress in implementing the self-help measures stated in Part II, Item V sub-paras B I through 4.

Mr. Coker emphasized that USG records reflect that the GOG had not met compliance requirements in previous P.L. 480 Title I Agreements resulting in reporting deficiencies and the following approximate UMR shortfalls for respective agreements: Calendar Year 1968 - Rice (10,234 MT) and Tobacco (315 MT); Fiscal Year 1971 - Tallow (edible) (4,775 MT); and Fiscal Year 1972 - Wheat/Wheat Flour (35,700 MT) and Cotton (5,941 bales upland).

The USG in the mutual interest of both Governments had agreed to write off the afore-mentioned reporting deficiencies and shortfalls. In light of this background of incomplete compliance, the US negotiators stated that the USG would insist that all compliance reporting be both current and accurate and that UMR's be strictly adhered to in accordance with the provisions of this new Agreement. The GOG negotiators noted these statements and assured the U.S. negotiators that they would adhere to these provisions.

Title I legislative requirements were stated by Mr. Coker. Purchase authorizations will be issued under the Agreement only after the Secretary of Agriculture has determined that:

1. Adequate storage facilities are available in the recipient country at the time of exportation to prevent the spoilage or waste of the commodity, and
2. The distribution of the commodity in the recipient's country will not result in a substantial dis incentive to domestic production.

Purchasing requirements were also reviewed by Mr. Coker. Purchases of food commodities under the Agreement must be made on the basis of invitations for bid (IFB) publicly advertised in the United States and on the basis of bid offerings which must conform to the IFB.

- a. Bid offering must be received and publicly opened in the United States.
- b. All awards under IFB's must be consistent with open, competitive and responsive bid procedures.

The General Sales Manager USDA must approve the terms of all IFBs including those for ocean freight prior to their issuance. Commissions, fees or other payments to any selling agent are prohibited in any purchase of food commodities under the Agreement.

If the GOG nominates a purchasing agent and/or shipping agent to procure commodities or arrange ocean transportation under the Agreement, the GOG must notify the General Sales Manager/USDA in writing of such nomination and provide along with the notification a copy of the proposed Agency Agreement. In accordance with new regulatory standards designed to eliminate certain potential conflicts of interest, the General Sales Manager, USDA must approve all purchasing and shipping agents.

An update will have to be carried out again on the assessment of Ghana's capability to receive, store and distribute commodities - the following will be required:

1. Type and grade of commodity to be purchased in accordance with official U.S. Standards;
2. Proposed contracting and delivery schedules;
3. U.S. Mission concurrence/comments on above schedules based on assessment of adequacy of the importing country's capability to receive, store and distribute the commodity to prevent spoilage or waste;

4. Names and addresses of banks, both U.S. and foreign which would be handling financing operations;
5. Assurance that appropriate GOG authorities are prepared to make immediate transfers of funds to cover ocean freight costs and any initial payment (IP) requirements related to contracts to be concluded pursuant to the Agreement.

Mr. Coker noted that instructions should be sent to the Ghana Embassy in Washington from the GOG before negotiations are completed on:

1. Commodity specifications;
2. Contracting and delivery periods;
3. Names and addresses of U.S. and foreign banks handling transactions (Letters of Credit for commodity and freight);
4. Authority to request and sign purchase authorizations and other necessary documents;
5. Complete instructions/information/authority regarding arrangements for purchasing commodities and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and
6. Contact Program Operations Division, Office of the General Sales Manager, USDA, regarding the foregoing.

Negotiator Coker added a special note on commodity suppliers:

1. Commodity Suppliers in the U.S. are refusing to load vessels when acceptable letters of credit for both commodity and freight supplier are not available at time of loading.
 - a. This has resulted in costly claims by vessel owners for demurrage and/or detention claims and carrying charges by commodity suppliers.
 - b. Delays in opening Letters of Credit and settlement of final 10% of freight will also result in higher commodity prices and freight rates.
2. Assurance should be given by the GOG that appropriate measures would be taken to establish an operable Letter of Credit for both commodity and freight and confirmed by designated U.S. banks immediately after contracting, under each Purchase Authorization, is concluded, and before vessels arrive at loading ports; and

3. With particular regard to ocean freight the Letters of Credit for 100% of ocean freight charges would be opened in favor of the supplier of the ocean transportation at least 48 hours prior to vessel's presentation for loading.

The U.S. negotiator reminded GOG negotiators that timely reports on compliance, arrival and shipping information, self-help, and use of sales proceeds are due in accordance with Part I, Article III(C) and (D) and provided a copy of Exhibit B of 10 FASR 300, "Field Compliance Responsibilities for Certain Operations under Title I of the Agricultural Trade Development and Assistance Act, as Amended".

Mr. Coker asked that the GOG confirm that a representative of the USG would have continuous access to receiving, storage and distribution points for P.L. 480 Title I commodities.

Mr. Coker requested GOG negotiators to give assurances from their government officials that necessary measures will be taken to prevent black market/smuggling activities.

Mrs. Chinery-Hesse thanked Mr. Coker for his explanation of the agreement and for the additional materials provided. She thought that they would be helpful in explaining the contents to other GOG agencies involved in the agreement. Mrs. Chinery-Hesse said she could not anticipate what the other GOG agencies' reaction would be to the terms of the agreement. Since many of the financial and reporting obligations fall on the Bank of Ghana, she thought that the Bank would want many questions answered, especially the inflationary implications of the 10% Currency Use Payment (CUP).

The Principal Secretary apologized for past deficiencies under previous Title I agreements and gave assurances of compliance on present and future P.L. 480 Agreements.

Mrs. Chinery-Hesse expressed concern over her government's committing itself to too many obligations at one time. This was said with reference to the self-help measures contained in the agreement. The obligations under the recently signed Letter of Intent with the IMF are macro-level oriented while the P.L. 480 Title I self-help commitments are more micro-level. She wished to avoid any conflicting commitments. This issue will be discussed in greater depth in follow-up negotiating sessions.

Mr. Born noted that recent legislative initiatives have been designed to give P.L. 480 programs increased linkage with overall AID assistance efforts and this is what is reflected in the self-help measures.

Mrs. Chinery-Hesse said that the Foreign Affairs Ministry would be supplying the name of the P.L. 480 backstop officer at the Ghanaian Embassy in Washington possibly by the next session. She also asked for two or three reputable shipping/forwarding agents in the U.S. and specifically for an update on the standing of St. John's International.

The tentative schedule for negotiations and signing was discussed:

- 17 - 22 January: Internal GOG review of agreement
- 23 January: Second session between USG and GOG negotiating teams. The teams will meet daily until agreement is reached acceptable to both sides.
- 30 January: Public Agreements Review Committee (PARC) meeting on Title I Agreement.
- 1 February: Administrative Approval of Agreement.
- Signing to occur during first week of February.

Mr. Coker reiterated that Washington must have 72 hours advance notice of date and hour for signing not counting weekends, and holidays.

P.L. 480 TITLE I NEGOTIATION SESSION OF
JANUARY 23, 1979 BETWEEN THE USG & GOG

Ghanaian Negotiators

Mrs. Mary Chinery-Hesse	Principal Secretary, MOEP
G.M. Osei	Principal Assistant Sec, MOA
E.D. Asante	Research Dept. Bank of Ghana
J.A. Baeta	Ag. S.D./ECRB (Bilateral) MOFA
H.O. Blavo	Ag. D/ECRB Western Economies
K. Agyepong	Ministry of Trade & Toursim
Kwame Osei-Bobie	Principal Assistant Sec. MOEP
Dr. S.E. Dankwa,	MOEP

U.S. Team

Irvin D. Coker	Director AID
Donald Born	Economic Counselor
William M. Carter,	Food For Peace Officer

Session began at 11.15 a.m. in Mrs. Chinery-Hesse's office.

The Principal Secretary welcomed the negotiating parties and indicated the meeting was the result of her government's request to the U.S. for commodity assistance to cushion the impact of the economic stabilization program particularly on the poorest Ghanaians.

Mrs. Chinery-Hesse referred favorably to the recent Standby Agreement concluded with the IMF and expressed gratitude to the USG for being one of the first nations to come forward with assistance. She said that even though the initial amount was small, it nevertheless was important and significant and hoped that more P.L. 480 Title I aid could be programmed this fiscal year.

Mrs. Chinery-Hesse added that aid was not the solution to Ghana's problems, but only a gap filler during the present period. Ghana's policy is one of economic and agricultural independence. She expressed the hope that the need for all external assistance could be eliminated and that Ghana would be self-sufficient. The Principal Secretary hoped that the U.S. taxpayers would realize that the benefits of the Title I commodities would go to the poorest Ghanaians.

Mr. Coker restated the hope that additional funds might be available under P.L. 480 Title I later in the fiscal year. A list of U.S. shipping and forwarding agents was given to the GOG team. Also, information relating to the UMR for feedgrains was read.

The GOG negotiators, noting that the Preamble, and Parts I and III were standard and not negotiable, said that the GOG would accept them unchanged. However, they believed that the sections did not take Third World needs into account to the degree desirable. They planned to take the opportunity afforded by these negotiations to offer informal comments in the hope that the USG would take them into account in any future revisions of the standard language.

The GOG team's comments on negotiable Part II of Draft Agreement were as follows:

Part II - Particular Provisions

Item I

That "Wheat Flour" be deleted from the line - "Wheat/wheat Flour".
That "Sorghum" be deleted from the line - "Corn/Sorghum".

Item II

1. Initial Payment (IP) of 5%: That the 5% initial payment be reduced or eliminated. However, in the interest of saving time and the doubtfulness of Washington agreeing to a lower percent the GOG accepted the 5% IP. However, in any future agreement, consideration should be given to a lower IP percent.

Item III

2. **Currency Use Payment (CUP):** The GOG team had reservations about the amount of the CUP payment, but agreed from the outset of the discussion to accept it. The Bank of Ghana representative thought the amount to be too much and cited the inflationary effect on the GOG budget particularly if the \$1 million worth of cedis were used during a short period.

Mr. Born explained the balance of payments effect, including repayment, credit and accounting procedures. GOG team requested an illustrative list of CUP expenditures. USG team agreed to furnish such a list.

3 - 7. All accepted. GOG asked if interest was simple or compound. The USAID Director indicated simple interest would accrue on the principal payment due and or any unpaid interest.

Item IV

3. **Usual Marketing Requirement (UMR):** The GOG again made the point on feedgrains that Ghana's purchases in this area during last few years were not normal, but resulted from drought conditions in the country. GOG objected "in principle" to the feedgrains UMR of 24,400 but accepted it as the reopening of third country consultations would delay negotiations.

Mrs. Chinery-Hesse said that consideration should be given to having concessional sales count against the UMR. This she said, would be beneficial to poorer countries, by reducing demand and minimizing dependence on developed countries.

Specifications

Wheat: Northern Spring Wheat USA No. 2 in bulk with minimum protein content of 13.5%.

Rice: American Regular No. 2 with up to 20% brokens.
Bagged.

Yellow Corn: American No. 3 Regular with moisture content not to exceed 15.5%. Bagged.

GOG asked if feed additives would be added to corn. USG responded that they would not.

Item V

4. Export Limitations: No changes were requested. GOG accepted.

Item VI

5. Self-Help: GOG asked for following changes:

- A. "In implementing these self-help measures specific emphasis will....." - that "will" be changed to read "should".
- B. (2)a - that "Establishing and" be deleted.
- (3) - that the word "beans" be deleted.
- (4)c - that "family planning" be deleted and that "population activities" be substituted in its place.

The Principal Secretary argued that commodity sales proceeds would provide support to other non-family planning activities affecting population in development.

The Principal Secretary moved that measures 5 and 6 be deleted from formal agreement, but be incorporated into the official minutes. These measures are included as follows:

- 5. Conduct an official review of the current supply distribution and have data in the agricultural sector to determine completeness and validity for U.S. utilization for economic development and related research analysis and projection and for Public Law 480-type programming. Particular emphasis will be given to updating supply/demand and trade data required for commodities proposal for P.L. 480 programming.
- 6. In cooperation with the Government of the United States of America, namely the United States Agency for International Development, develop a system for data collection, analysis, and reporting that will measure progress in implementing the self-help measures stated in 1 through 4 above.

Item VII

6. No changes. GOG accepted.

GOG team made reference to Part III, Final Provision and Part I, Article I H where it says agreement can be terminated for "any reason". "Any" was thought to be too broad by their legal counsel. GOG expressed the hope this would be raised with Washington lawyers and that concrete grounds for termination would be clearly delineated.

The following final specific issues were raised by the USG team and accepted by the GOG team:

1. Priority berthing for vessels with P.L. 480 Title I cargo. GOG officials said that the GOG would grant to the best of its ability, priority berthing at Ghanaian ports to vessels carrying P.L. 480 Title I commodities under this agreement.
2. Black marketing and Smuggling. GOG officials gave assurances that, to the best of its ability, the GOG would ensure that black marketing and smuggling of Title I commodities would be prevented.
3. Receiving, Storing, Distributing. The GOG officials reiterated and gave full assurance on their Government's ability to adequately receive, store and distribute all P.L. 480 Title I commodities. (Team members Dankwa and Carter were to report further on this.)
4. Banking and Financial Arrangements. The GOG negotiators assured the U.S. negotiators that appropriate measures would be taken to establish an operable Letter of Credit for both commodity and freight which would be confirmed by designated U.S. banks immediately after contracting under each Purchase Authorization is concluded, and before vessels arrive at loading ports; and

with particular regard to ocean freight the Letters of Credit for 100% of ocean freight charges would be opened in favor of the supplier of the ocean transportation at least 48 hours prior to vessel's presentation for loading.

5. Access. The GOG negotiators assured the U.S. negotiators that representatives of the USG would have continuous access to receiving, storage and distribution points for P.L. 480 Title I commodities.
6. UMR and Export Limitations. GOG negotiators assured USG negotiators that they would meet their UMR and export limitation commitments. GOG negotiators also stated that no official exports of commodities provided under the P.L. 480 Agreement would be registered.

7. Self-help. GOG negotiators said they would meet their obligations on self-help measures.

The Ministry of Foreign Affairs' representative said his Ministry was recommending to their Washington Embassy that the Deputy Ambassador in Washington, Mr. E.A. Akueteh handle the arrangements in the U.S.

Copies of Program Compliance Reporting documents (10 FASR 300) with exhibits were also supplied to the GOG negotiators.

The U.S. team said they would cable Washington on the recommended changes and would report back as soon as possible.

The GOG also accepted that its performance under the IMF Agreement will be a principal consideration in any follow-up P.L. 480 Agreement.

DONE AT ACCRA, GHANA, IN DUPLICATE, THIS NINTH DAY OF FEBRUARY 1979.

FOR THE GOVERNMENT OF THE

UNITED STATES OF AMERICA

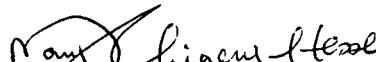

AMBASSADOR


I.D. COKER
MISSION DIRECTOR

FOR THE GOVERNMENT OF

GHANA


COMMISSIONER FOR ECONOMIC
PLANNING


MRS. M. CHINERY-HESSE
PRINCIPAL SECRETARY

HAITI

Trade in Textiles and Textile Products

*Agreement amending and extending the agreement
of March 22 and 23, 1976, as amended.*

Effectuated by exchange of notes

*Signed at Port-au-Prince December 28 and 29, 1978,
Entered into force December 29, 1978.*

*The American Ambassador to the Haitian Secretary of State, Department
of Foreign Affairs*

DECEMBER 28, 1978

EXCELLENCY:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with annexes, done at Geneva on December 23, 1973^[1] and extended by a protocol adopted on December 14, 1977 at Geneva^[2] (hereinafter referred to as the Arrangement).

I also have the honor to refer to the agreement between the United States of America and Haiti relating to trade in cotton, wool, and man-made fiber textiles, with annexes, effected by exchange of notes March 22 and 23, 1976, as amended^[3] (the Agreement) and to recent discussions between representatives of the Governments of the United States of America and Haiti concerning the extension of the Agreement. As a result of these discussions, and in conformity with Article 4 of the Arrangement, I propose on behalf of my Government that the Agreement be amended as follows.

1. The Agreement is extended to cover the three month period from January 1, 1979 through March 31, 1979.

2. The agreement year covering the 12 month period January 1, 1978 through December 31, 1978 under the Agreement is extended to include the three month period beginning January 1, 1979 and ending March 31, 1979, with the aggregate limit, the group limits and each specific limit applicable during the 15 month agreement period beginning January 1, 1978 and ending March 31, 1979, being equal to 126.75 percent of the corresponding limit applicable during the

¹ Should read "December 20, 1973" TIAS 7840; 25 UST 1001.

² TIAS 8939; 29 UST 2287.

³ TIAS 8268, 8395, 9084, 27 UST 1595, 3785, 29 UST 4888.

12 month agreement year beginning January 1, 1978, and ending December 31, 1978.

3. For the 15 month agreement period beginning January 1, 1978 and ending March 31, 1979, consultation levels shall be 125 percent of the corresponding levels for the 12 month agreement year beginning on January 1, 1978 and ending on December 31, 1978.

If the foregoing proposal is acceptable to the Government of the Republic of Haiti, this note and your Excellency's note of confirmation will constitute an agreement between the Government of the Republic of Haiti and the United States of America, amending the Agreement, effective on the date of your note of confirmation.

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

WILLIAM B. JONES

Ambassador

His Excellency

GERARD DORCELY,

*Secretary of State of the
Department of Foreign Affairs
Port-au-Prince.*

*The Haitian Secretary of State, Department of Foreign Affairs, to
the American Ambassador*

*Département
des
Affaires Etrangères*

République d'Haïti

FC/1022.

Port-au-Prince, le 29 Décembre 1978

Monsieur l'Ambassadeur,

J'ai l'honneur d'accuser réception de votre
lettre du 28 Décembre 1978 qui se lit comme suit:

J'ai l'honneur de vous référer à la Convention
concernant le Commerce International des Textiles, ainsi
qu'aux annexes, tenue à Genève le 23 Décembre 1973, et prorogée
par un Protocole adopté le 14 Décembre 1977 à Genève (ci-après dé-
nommée l'Accord).

Je vous réfère également à l'Accord relatif
au Commerce du coton, de la laine et des fibres synthétiques, ainsi
qu'aux annexes, intervenu entre les Etats Unis d'Amérique et Haïti,
rendu effectif par l'échange des notes des 22 et 23 Mars 1976, tel
qu'amendé (l'Accord), et aux récents pourparlers entre les repré-
sentants de l'extension de l'Accord. Comme résultat de ces pour-
parlers et conformément à l'Article 4 de l'Accord, je voudrais propon-
er, au nom de mon Gouvernement, que l'Accord soit amendé comme suit:

1. L'Accord est prorogé pour couvrir la pé-
riode de trois mois s'étendant du 1er Janvier 1979 au 31 mars 1979.

Son Excellence
Monsieur William B. JONES
Ambassadeur des Etats Unis
d'Amérique.-

2. L'année de l'Accord couvrant la période de 12 mois s'étendant du 1er janvier 1978 au 31 décembre 1978 dans le cadre de l'Accord est prorogée pour inclure la période des trois mois s'étendant du 1er janvier 1979 au 31 mars 1979. Cette formule inclut la limite globale, les limites de groupes et chaque limite spécifique applicables durant les 15 mois de l'Accord s'étendant du 1er janvier 1978 au 31 mars 1979 et considérées comme équivalentes à 126.75 pour cent des limites applicables correspondantes de la période de 12 mois de l'année de l'Accord s'étendant du 1er janvier 1978 au 31 décembre 1978.

3. Pour la période de 15 mois de l'Accord s'étendant du 1er janvier 1978 au 31 mars 1979, les niveaux de consultation seront de 125 pour cent des niveaux correspondants de la période de 12 mois de l'année de l'Accord s'étendant du 1er janvier 1978 au 31 décembre 1978.

Si la proposition sus-citée est acceptable au Gouvernement de la République d'Haiti, cette note et celle confirmative de Son Excellence constitueront un Accord entre les Gouvernements de la République d'Haiti et des Etats-Unis d'Amérique, amendant l'Accord et entrera en vigueur à la date de sa note confirmative."

Il m'est agréable de vous informer que le Gouvernement haitien accorde son agrément aux amendements indiqués aux paragraphes 1, 2 et 3 et considère que la note de l'Ambassade des Etats-Unis d'Amérique et cette note-réponse de la Chancellerie haitienne constituent un accord entre les deux gouvernements sur ce sujet.

Je saisais cette occasion pour vous renouveler, Monsieur l'Ambassadeur, les assurances de ma haute considération.


Gérard DORCELY
Secrétaire d'Etat

TRANSLATION

Republic of Haiti
Department of Foreign Affairs

No. EC/1022

Port-au-Prince, December 29, 1978

Mr. Ambassador.

I have the honor to acknowledge receipt of your note of December 28, 1978, which reads as follows

[For the English language text, see pp. 3585–3586.]

I take pleasure in informing you that the Haitian Government accepts the amendments specified in Paragraphs 1, 2, and 3 and considers that the note from the Embassy of the United States of America and this reply constitute an agreement between our two Governments in this regard.

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my high consideration.

Gérard Dorcély

Gérard Dorcély
Secretary of State

His Excellency
William B. Jones,
Ambassador of the United
States of America.

HAITI

Trade in Textiles and Textile Products

*Agreement amending the agreement of March 22 and 23, 1976,
as amended and extended.*

Effectuated by exchange of letters

*Signed at Port-au-Prince February 8 and 16, 1979;
Entered into force February 16, 1979.*

The Haitian Secretary of State ad interim, Department of Commerce and Industry, to the American First Secretary



SECRETAIRERIE D'ETAT DU COMMERCE ET DE L'INDUSTRIE

No. **SE/ 1093**

PORT-AU-PRINCE, LE 8 février 1979

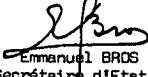
Monsieur le Premier Secrétaire,

Référent d'une part à la convention relative au Commerce International des Textiles, ainsi qu'aux annexes, signés à Genève le 23 décembre 1973, et prorogée par le Protocole adopté le 14 décembre 1977 et

D'autre part, à l'accord relatif au commerce du coton, de la laine, & des fibres synthétiques et ses annexes, intervenu entre les Etats-Unis d'Amérique & Haïti, rendu effectif par l'échange de notes des 22 & 23 mars 1976, tel qu'amendé, et à la prorogation du dit accord par échange de notes des 28 & 29 décembre 1978, j'ai l'avantage de porter à votre connaissance que le Gouvernement haïtien voudrait prévenir Celui des Etats-Unis d'Amérique, que le niveau de consultation est atteint pour l'exportation des produits textiles couverts par la catégorie 659 (autres vêtements) de l'accord. Le Gouvernement haïtien voudrait éviter aux fabricants locaux l'épreuve sévère qui en résulterait, si le Gouvernement des Etats-Unis mettait un obstacle aux importations en provenance d'Haïti des produits textiles compris dans la catégorie 659 de l'accord.

A cet effet, le Gouvernement d'Haïti sollicite l'augmentation du niveau de consultation pour la catégorie 659 à 440.000 livres pour le reste de la durée de l'accord qui arrive à expiration le 31 mars 1979.

Je saisiss cette occasion pour vous renouveler, Monsieur le Premier Secrétaire, l'assurance de ma considération distinguée.


 Emmanuel Bros
 Secrétaire d'Etat a.i.

Monsieur Robert RICHMOND
 Premier Secrétaire
 à l'Ambassade Américaine
 En Ses Bureaux.—

TIAS 9413

TRANSLATION

Republic of Haiti
Office of the Secretary of State for
Commerce and Industry

No. SE/1093

Port-au-Prince, February 8, 1979

Sir.

In reference to the Arrangement regarding International Trade in Textiles, with Annexes, done at Geneva on December 23, 1973,^[1] and extended by the Protocol of December 14, 1977,^[2] to the Agreement between the United States of America and Haiti relating to Trade in Cotton, Wool, and Man-Made Fiber Textiles, with Annexes, effected by exchange of notes of March 22 and 23, 1976, as amended, and to the extension of the said Agreement by exchange of notes of December 28 and 29, 1978,^[3] I wish to inform you that the Haitian Government would like to advise the Government of the United States of America that the consultation level has been reached for the export of textile products covered by category 659 (other apparel) of the Agreement. The Haitian Government would like to spare local manufacturers the hardship that would ensue if the

Mr. Robert Richmond,
First Secretary,
American Embassy,
Port-au-Prince.

¹ Should read "December 20, 1973." TIAS 7840; 25 UST 1001.

² TIAS 8899; 29 UST 2287.

³ TIAS 8268, 8895, 9084, 9412, 27 UST 1595, 3785, 29 UST 4888, *ante*, p. 3585.

Government of the United States impeded imports from Haiti of the textile products included in category 659 of the Agreement.

To that end, the Government of Haiti requests an increase in the consultation level for category 659 to 440,000 pounds for the remaining agreement period, which will expire on March 31, 1979

I avail myself of this opportunity to renew to you the assurance of my distinguished consideration.

E. Bros

Emmanuel Bros
Secretary of State ad interim

*The American Ambassador to the Haitian Secretary of State
ad interim, Department of Commerce and Industry*



EMBASSY OF THE
UNITED STATES OF AMERICA
Port-au-Prince, Haiti

February 16, 1979

Excellency,

I refer to the agreement between our two Governments relating to trade in cotton, wool and man-made fiber textiles, with annex, effected by exchange of notes in Port-au-Prince March 22 and 23, 1976, as amended (The Agreement). I also refer to your letter of February 8, 1979 requesting an increase in the designated consultation level for category 659 (Other Man-made Fiber Apparel) to 440,000 pounds for the 15 month agreement period January 1, 1978 through March 31, 1979. My Government agrees to your request and, therefore, your letter and this letter shall constitute an agreement amending The Agreement accordingly.

Please accept, Excellency, the renewed assurances of my highest esteem.

Sincerely,

A handwritten signature in black ink, appearing to read "William B. Jones".
William B. Jones
Ambassador

His Excellency,
Emmanuel Bros
Secretary of State ad interim
Department of Commerce and Industry.

CANADA

Defense Research and Development

*Memorandum of understanding signed February 1, 1979;
Entered into force February 1, 1979.*

MEMORANDUM OF UNDERSTANDING PERTAINING TO COORDINATION OF COOPERATIVE RESEARCH AND DEVELOPMENT

INTRODUCTION

The Department of Defense of the United States of America, represented by the Department of the Navy, and the Canadian Department of National Defence have decided to establish arrangements for close collaboration to complement the cooperative program in naval defense research and development established in accordance with the various defense production and development sharing arrangements which exist between Canada and the United States.

OBJECTIVES

The principal objectives of these arrangements are to identify means and opportunities to utilize the scientific and technical resources of the two countries to meet common naval defense interests and to make possible the standardization and interoperability of systems and equipment used for the naval defense of the two countries.

SCOPE

The arrangements will include procedures for the exchange of information concerning the present and future state of the art in scientific and technical disciplines, the coordination of related long-range planning in research, development, test and evaluation (R,D,T&E) and the identification of fields of mutual interest to be analyzed to determine the integration of effort.

PROCEDURES

- a. In order to achieve the objectives, each Department will designate a Senior National Naval Representative (SNNR). The SNNRs shall meet at least annually, and more frequently as they may elect, to discuss:
 - common defense interests (common naval requirements, current and long range),

- opportunities for cooperation in R,D,T&E,
 - the progress of ongoing cooperative projects,
 - possible new projects, and
 - such other subjects pertaining to R,D,T&E as they may agree.
- b. Proposed Agenda shall be exchanged by the SNNRs ninety (90) days in advance of each meeting. Recommendations for revisions to the Agenda shall thereafter be exchanged, and the final Agenda shall be established thirty (30) days in advance of each meeting.
 - c. The SNNRs shall have recorded and reported the results of their meetings and shall have prepared and issued such other reports as they deem appropriate.
 - d. The SNNRs may establish working groups and recommend the approval of separate project arrangements if necessary to meet the objectives of this MOU.

FUNDING

Each Department will bear the cost (including salaries, travel and per diem) of its own representatives to meetings conducted under this MOU. The Department hosting meetings under this MOU will bear the cost of providing meeting facilities. Expenditures hereunder are subject to the availability of funds.

SECURITY

Classified information exchanged in connection with these arrangements will be safeguarded in accordance with the United States-Canadian Security Agreement of January 30, 1962, and the United States-Canadian Industrial Security Agreement effected by an exchange of letters dated February 6 and March 31, 1952, as amended.

EFFECT AND DURATION

This Memorandum of Understanding shall come into effect on the date of last signature, shall remain in effect for a period of ten (10) years, subject to modification or termination at any time by mutual agreement or termination six months after receipt by either party of written notice of the intention of the other party to terminate it.

FOR THE CANADIAN DEPARTMENT OF NATIONAL DEFENCE

FOR THE UNITED STATES DEPARTMENT OF THE NAVY

D N MAINGUY
RADM

DAVID F. EMERSON
VADM, USN

Date 1 FEBRUARY 1979

Date 1 FEBRUARY 1979

IRAN

Revisions of Foreign Military Sales (FMS) Letters of Offer and Acceptance

*Memorandum of understanding signed at Tehran February 3,
1979;
Entered into force February 3, 1979.*

VEZARTEJANG
DEPUTY MINISTRY OF WARFOR ARMAMENT
SALTANAT - ABAD TEHRAN . IRAN

Telegrams: TASLIHATI
Telephones: 284078—281601
Telex: 212703

Your Ref:

Our Ref:

Date:

MEMORANDUM OF UNDERSTANDING

This memorandum of understanding between the United States Government (USG) and the Government of Iran (GOI) provides for the revisions of the Foreign Military Sales (FMS) letters of offer and acceptance in force between the two governments.

In consideration of the above, the GOI and USG agree that the USG expeditiously execute the following:

Terminate and cancel all procurement actions for following programs/items:

- PEACE ZEBRA PROGRAM — All FMS cases covering 160 F 16/A/B aircraft, spares, age, mods, technical assistance, training and support (depot and contractor).
- PEACE SKY PROGRAM — All FMS cases covering 7 E 3 A aircraft, spares, age, mods, technical assistance, training and support (depot and contractor).
- PEACE ROLL PROGRAM — All FMS cases covering 16 R F 4 aircraft, spares, age, mods, technical assistance, training and support (depot and contractor).

Reduce deliveries by quantities indicated below:

<u>Description</u>	<u>Quantity Reduction</u>
—DESTROYERS, CG 993, SPRUANCE	2
—SUBMARINE, TANG, SS563	1
—MISSILE, PHOENIX, AIM-54A	444
—MISSILE, HARPOON, RGM-84	209
—MISSILE, STANDARD, SM-1	258
—MISSILE, I-HAWK, XMIN-23B	360
—MISSILE, SIDEWINDER, AIM 9	362
—MISSILE, SPARROW, AIM 7	362
—TORPEDO, MK 46	214
—TORPEDO, MK 37	174
—ECM, ALQ 119	All Undelivered
—CARGO CARRIER, M 548	113
—BRIDGE LAUNCHER	1
—HOWITZER, M 110, 8" SP	9
—TOW, ANTI-TANK	1, 182
—DRAGON, ANTI-TANK	10, 937
—APC, M 113	108
—JEEP, M 825	99
—TRAILERS, M 118 A 1 (6 TON)	117
—TRAILERS, M 353 (3.5 TON)	6
—AMMUNITION—Suspend all automatic deliveries; deliver on request only	
90 MM (AP-T & HEAT)	
155 MM	
175 MM	
105 MM (HOWITZER)	
105 MM (FOR M-60 TANK)	
106 MM	

Reduce all GOI FMS follow on support logistics cases, including Cooperative Logistics Supply Support Plan arrangements, for those common weapons systems that can be supported by the USG under direct requisition procedures.

Reduce and restructure all contracts under FMS cases for contractor furnished support and services to the following level of effort:

<u>Contractor</u>	<u>FMS Case</u>	<u>Systems</u>	<u>Personnel Ceiling</u>
BELL HELICOPTER INTERNATIONAL (BHI)	WAK; VZZ; WAL/WDC	HELICOPTER	500
GRUMMAN, HUGHES, PRATT & WHITNEY, HARRIS CORPORATION, PRD ELECTRONICS DIVISION, TELE-COM SYSTEMS INC, BOOZ ALLEN	GFZ	F14/PHOENIX	60
RAYTHEON	VSJ, WCC, VUU	I-HAWK MISSILE, TSQ 73	20
LITTON	WAG, WDM		
TIAS 9415			

LOCKHEED AIR-CRAFT SERVICES VARIOUS	ZAA GJJ	PEACE LOG CONTRACTOR ENGINEERING TECHNICAL SERVICES	97 50
--	------------	---	----------

Reduce the seven hundred thirty-(730) USG military and civilian personnel presently assigned in Iran (against DOD manning authorizations for 969 personnel), and paid for by the GOI under FMS cases for MAAG, Technical Assistance Field Teams and Support, to a number of not more than 250 qualified personnel.

The USG, through the Defense Security Assistance Agency, and the GOI, through the Ministry of War, agree to initiate reviews within thirty (30) days of all other open FMS programs/cases to assure that only those defense articles and services are procured and delivered which best meet the immediate security requirements of Iran, and which represent the most prudent expenditure of GOI trust funds.

The USG will recover for the GOI trust fund account those expended funds that can be reimbursed (to the GOI trust fund) for terminated and cancelled procurement actions, for reduced deliveries, for reduced service and support contracts, and for reduced Letters of Offer and Acceptance.* To the extent possible, the USG will divert any and all residual undelivered assets to USG Department of Defense and/or other Foreign Military Sales Program Accounts to obtain full and equitable reimbursements to the GOI trust fund. If the price to be reimbursed for the diverted item is less than the price paid by the GOI, the USG will notify the GOI and obtain GOI approval prior to diversion.

The GOI and the USG will review jointly, on or before 24 July 1979, the revised procurement plans and production schedules for suspended programs, including the impact on costs and delivery schedules, to enable the GOI to decide those programs/acquisitions that should be continued or terminated and cancelled, subject to the general conditions of the letters of offer and acceptance. The USG agrees to notify the GOI, promptly and in writing before 24 July 1979, if any program/acquisition must be entirely cancelled due to expiration of production options. The USG also agrees to provide recommendations to the GOI as to those programs/acquisitions where the benefit of continuing the procurement outweighs the burden of termination and cancellation of the item, due to nonavailability of USG or other FMS requirement. It is understood that, in order to avoid contract termination and to obtain full and equitable reimbursement (to the GOI trust fund) from the diversion of residual undelivered assets, it may be necessary for the USG (during a short transition period) to continue obligations and expenditures from the GOI trust fund until approval is obtained for the USG Department of Defense or another FMS customer to as-

*All necessary documents for justification of non-reimbursable funds will be provided to GOI for study and approval.

sume the financial obligations and expenditures for the items to be diverted.

The USG will establish an interest bearing account to earn interest for the GOI on those expended funds reimbursed to GOI not required in the trust fund account to meet remaining obligations of the GOI. Also, the USG will transfer all GOI non-expended funds to this account. The GOI will be authorized to transfer the funds of this account to any other account designated by GOI for any FMS purpose.

The USG will keep the GOI fully informed as to the status of the GOI trust fund account, and the new established account.

This memorandum of understanding is effective immediately and shall remain in full force and effect until modified or cancelled.

TEHRAN

Dated 3 February 1979

TEHRAN

1357.11.14

UNITED STATES GOVERNMENT

GOVERNMENT OF IRAN

ERICH VON MARBOD

Lt. Gen. J. T. TAVAKOLI

Erich F. von Marbod

*Deputy Minister of War
for Armament*

*Deputy Director
Defense Security Assistance
Agency*

ZAIRE

**Finance: Consolidation and Rescheduling of
Certain Debts**

*Agreement signed at Washington February 7, 1979;
Entered into force April 4, 1979.*

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND THE REPUBLIC OF ZAIRE
REGARDING THE CONSOLIDATION AND RESCHEDULING OF
CERTAIN DEBTS OWED TO,
GUARANTEED OR INSURED BY THE
UNITED STATES GOVERNMENT AND ITS AGENCIES

The United States of America (The "United States")
and the Republic of Zaire ("Zaire") agree as follows:

ARTICLE I

Application of the Agreement

1. In accordance with the provisions of the understanding reached on July 7, 1977 as amended on December 1, (the "Understanding") among representatives of certain nations, including the United States, and agreed to by Zaire, the United States and Zaire hereby agree to consolidate and reschedule certain Zarian debts which are owed to, guaranteed by or insured by the United States or its agencies, as provided for in this Agreement.

2. This Agreement shall be implemented by separate agreements (the "Implementing Agreements") between Zaire and the United States with respect to P.L. 480 Agreements, and between Zaire and each of the following United States agencies: The Agency for International Development, the Export-Import Bank of the United States, the Department of Defense, and the Commodity Credit Corporation.

ARTICLE II

Definitions

1. "Original Agreements" means those agreements listed in Annex A.
2. "Consolidated Debt" means eighty-five percent of the sum of dollar principal and interest payments due from January 1, 1977 through December 31, 1977, and remaining unpaid on December 1, 1977, on debt contracted prior to January 1, 1976 in accordance with the respective terms of each of the Original Agreements.
3. "Non-consolidated Debt" means fifteen percent of the sum of dollar principal and interest payments due from January 1, 1977 through December 31, 1977, and remaining unpaid on December 1, 1977, on debt contracted prior to January 1, 1976 in accordance with the respective terms of each of the Original Agreements.
4. "Consolidation Period" means the period from January 1, 1977 through December 31, 1977.
5. "Consolidated Interest" means interest on the Consolidated Debt. "Non-consolidated Interest" means interest on the Non-consolidated debt. Consolidated Interest and Non-consolidated Interest shall begin to accrue on the respective due dates specified in each of the Original Agreements for each payment of principal or interest which is part of the Consolidated Debt or the Non-consolidated Debt, and shall continue to accrue until the Consolidated Debt or the Non-consolidated debt, as the case may be, is repaid in full. Additional interest shall accrue on over-due amounts of Consolidated Interest or Non-consolidated Interest until such amounts are repaid in full at the

same rate as the applicable Consolidated Interest or Non-consolidated Interest.

6. "Agency" means an agency or instrumentality of the United States.

ARTICLE III

Terms and Conditions of Payment

1. Zaire agrees to repay the Consolidated Debt in United States dollars in accordance with the following terms and conditions:

(a) The Consolidated Debt amounting to 48.0 million dollars shall be repaid in twelve equal semi-annual installments, commencing on January 1, 1981, with the final installment payable on July 1, 1986.

(b) The Consolidated Interest rate shall be at 3.5 percent per calendar year on the outstanding balance of the Consolidated Debt, including any outstanding amounts of Consolidated Interest, due to the Agency for International Development and to the United States with respect to P.L. 480 agreements, and 8.125 percent per calendar year on the outstanding balance of Consolidated Debt including any amounts of Consolidated Interest due to, guaranteed by, or insured by the Export-Import Bank of the United States, the Department of Defense, and the Commodity Credit Corporation. All Consolidated Interest shall be payable semi-annually on January 1 and July 1 of each year commencing on July 1, 1978 unless otherwise specified in the respective Implementing Agreements.

(c) A table summarizing the amounts of the Consolidated Debt owed to the United States and each agency is attached hereto as Annex B.

2. Zaire agrees to repay the Non-consolidated Debt in accordance with the following terms and conditions:

(a) The Non-consolidated Debt amounting to \$8.5 million dollars shall be repaid in three equal annual installments, of \$2.83 million to be paid on January 1, 1978, and January 1, 1979, and January 1, 1980.

(b) The weighted average of the Non-consolidated Interest rate shall be 3.5 percent per calendar year on the outstanding balance of the Non-consolidated Debt, including any outstanding amounts of Non-consolidated Interest, due to the Agency for International Development and to the United States with respect to P.L. 480 agreements, and 8.125 percent per calendar year on the balance of the Non-consolidated Debt, including any outstanding amounts of Non-consolidated Interest, due to, guaranteed by, or insured by the Export-Import Bank of the United States, and Department of Defense, and the Commodity Credit Corporation. All Non-consolidated Interest due shall be payable semi-annually on January 1 and July 1 of each year commencing on July 1, 1978 unless otherwise specified in the respective Implementing Agreements.

(c) A table summarizing the amounts of Non-consolidated Debt owed to the Government of the United States and each Agency is attached hereto as Annex C.

3. Zaire agrees to fully discharge payment of its obligations, including payment of arrearages with regard to Original Agreements as modified by this Agreement, the Understanding, the Understanding of June 16, 1976, and the agreement between the United States and the Government of Zaire signed June 17, 1977 which entered into force on August 30, 1977. [¹]

4. It is understood that adjustments may be made in the amounts specified in paragraphs 1 and 2 of this Article by the Implementing Agreements.

ARTICLE IV

General Provisions

1. Zaire agrees to grant the United States and its Agencies, and any other creditor which is party to an Original Agreement, treatment and terms no less favorable than that which may be accorded to any other creditor country for the consolidation of debts covered by the Understanding.

2. Except as they may be modified by this Agreement or subsequent Implementing Agreements, all terms of the Original Agreements remain unchanged.

3. Zaire has already made payments on the Consolidated and Non-consolidated Debt due to Commodity Credit Corporation from January 1, 1977 through December 31, 1977, and included in this Agreement. The U.S. agrees that those payments will be credited to future payments owed by the Government of Zaire to Commodity Credit Corporation.

¹ TIAS 8731; 28 UST 7593.

Interest credit shall begin as of the first day after the receipt of these payments by Commodity Credit Corporation.

4. The Agency for International Development will confine the rescheduling of its debt to the five direct loans listed in Annex A, provided that the amounts rescheduled by the Agency for International Development shall be equivalent to the amount due to be rescheduled as set forth in this Agreement. Zaire agrees to pay all arrearages and future sums, as and when due, on loan HG-001 which will not be rescheduled by the Agency for International Development.

ARTICLE V

Entry into Force

This Agreement shall enter into force upon receipt by Zaire of written notice that domestic United States laws and regulations covering debt rescheduling concerning this Agreement have been complied with.^[1]

Done at Washington, in duplicate, this day, February 7, 1979, in the English and French languages, each text being equally authentic.

EMONY MONDANGA
Commissaire d'Etat aux Finances
FOR THE REPUBLIC OF ZAIRE
[SEAL]

Robert Hormats [2]
FOR THE UNITED STATES OF AMERICA

¹ Apr. 4, 1970.

² Robert Hormats.

ANNEX ALOAN AGREEMENTS SUBJECT TO RESCHEDULINGExport-Import Bank

<u>Financial Guarantees</u> No.	<u>Direct Credits</u> No.
G-2608	--
G-2940	2939
--	2958
G-3186	3185
--	3213
G-4049	4048
G-4401	4400
G-4540, 4601	4539
G-4586	4585
G-4685, 4686	4684
G-4734	4733

Medium-Term FCIA Insurance Policy

MT-10016

Medium-Term Commercial Bank GuraranteesG-206-2/B6-9390
G-47-411/B6-9365Cooperative Financing FacilityCredit 11260
Credit 11520
Credit 12583P.L. 480 [¹]

Agreements Dated:

October 3, 1966 [²]March 15, 1967 [³]December 11, 1967 [⁴]May 14, 1969 [⁵]October 21, 1969 [⁶]October 7, 1971 [⁷]August 12, 1968 [⁸]¹ 68 Stat. 454; 7 U.S.C. § 1701 *et seq.*² TIAS 6166; 17 UST 2258.³ TIAS 6829; 18 UST 1826.⁴ TIAS 6396; 18 UST 3065.⁵ TIAS 6687; 20 UST 762.⁶ TIAS 6712; 20 UST 2401.⁷ TIAS 7219; 22 UST 1784.⁸ TIAS 6545; 19 UST 5911.

Commodity Credit CorporationGSM Numbers

13343
13415
13428
13444

Department of DefenseDirect Loans

721
741
751
761

Guaranty

711
731

Agency for International DevelopmentDirect Loans

K-002
K-003
K-006
K-009
H-012

Guaranty

HG-001

ANNEX BSUMMARY OF CONSOLIDATED DEBT*

(Millions of Dollars)

Export-Import Bank	30.6
P.L. 480	2.0
Commodity Credit Corp.	3.4
Department of Defense	7.6
Agency for International Development	<u>4.4</u>
TOTAL	48.0

* Data are rounded and subject to revision per Article III,
Paragraph 4. [Footnote in the original.]

ANNEX CSUMMARY OF NON-CONSOLIDATED DEBT*

(Millions of Dollars)

Export-Import Bank	5.4
P.L. 480	.4
Commodity Credit Corporation	.6
Department of Defense	1.3
Agency for International Development	<u>.8</u>
TOTAL	8.5

* Data are rounded and subject to revision per Article III,
paragraph 4. [Footnote in the original.]

ACCORD CONCLU ENTRE
LES ETATS-UNIS D'AMERIQUE
ET LA REPUBLIQUE DU ZAIRE
CONCERNANT LA CONSOLIDATION ET LE REECHELONNEMENT
DE CERTAINES DETTES RELATIVES
AUX CREDITS CONSENTEIS, GARANTIS OU ASSURES PAR
LE GOUVERNEMENT DES ETATS-UNIS ET SES INSTITUTIONS

Les Etats-Unis d'Amérique (les "Etats-Unis") et la République du Zaïre ("Zaïre") sont convenus de ce qui suit:

ARTICLE PREMIER

Application de l'Accord

1. Conformément aux dispositions de l'arrangement fait le 7 juillet 1977 (l'"Arrangement") tel que modifié le 1^{er} décembre, entre les représentants de certains pays, y compris les Etats-Unis, et agréé par le Zaïre, les Etats-Unis et le Zaïre conviennent par le présent Accord de consolider et de rééchelonner certaines dettes du Zaïre relatives aux crédits consentis, garantis ou assurés par les Etats-Unis ou leurs institutions, comme prévu aux termes du présent Accord.

2. Le présent Accord sera mis en oeuvre par voie d'accords distincts (les "Accords de mise en oeuvre") entre le Zaïre et les Etats-Unis eu égard aux Accords conclus au titre de la Loi publique 480, et entre le Zaïre et chacune des institutions américaines ci-après: l'Agence pour le Développement international, l'Export-Import Bank des Etats-Unis, le Ministère de la Défense et la Commodity Credit Corporation.

ARTICLE II

Définitions

1. L'expression "Accords d'origine" désigne les accords dont la liste figure à l'Annexe A.

2. L'expression "Dette consolidée" signifie quatre-vingt cinq pour cent (85%) du montant en dollars du principal et des intérêts arrivant à échéance entre le 1^{er} janvier 1977 et le 31 décembre 1977 et non encore réglés au 1^{er} décembre 1977, sur la dette contractée avant le 1^{er} janvier 1976 conformément aux modalités respectives de chacun des Accords d'origine.

3. L'expression "Dette non consolidée" signifie quinze pour cent (15%) de montant en dollars du principal et des intérêts arrivant à échéance du 1^{er} janvier 1977 au 31 décembre 1977 et non encore réglés au 1^{er} décembre 1977 sur la dette contractée avant le 1^{er} janvier 1976 conformément aux modalités respectives de chacun des Accords d'origine.

4. L'expression "Période de Consolidation" désigne la période du 1^{er} janvier 1977 au 31 décembre 1977.

5. L'expression "Intérêts consolidés" désigne les intérêts sur la Dette consolidée. L'expression "Intérêts non consolidés" désigne les intérêts sur la Dette non consolidée. Les Intérêts consolidés et les Intérêts non consolidés commenceront à courir à compter des dates respectives d'échéance stipulées dans les Accords d'origine pour chaque échéance de principal ou d'intérêt faisant partie de la Dette consolidée ou de la Dette non consolidée, et continueront à courir jusqu'à ce que la Dette consolidée ou la Dette non consolidée, selon le cas, soit remboursée intégralement. Des intérêts supplémentaires courront sur l'arriéré des Intérêts consolidés ou des Intérêts non consolidés jusqu'à ce que le montant desdits intérêts ait été payé intégralement, au même taux que le taux applicable des Intérêts consolidés ou des Intérêts non consolidés.

6. Le terme "Institution" désigne une agence ou un organisme des Etats-Unis.

ARTICLE III

Modalités et conditions de paiement

1. Le Zaïre convient de rembourser la Dette consolidée, en dollars des Etats-Unis, conformément aux modalités et conditions suivantes:

- a) La Dette consolidée s'élevant à \$48 millions sera remboursée en douze paiements semestriels égaux à partir du 1^{er} janvier 1981, le dernier paiement venant à échéance le 1^{er} juillet 1986.
- b) Le taux de l'Intérêt consolidé sera de 3,5 pour cent par année civile sur l'encours de la Dette consolidée, y compris tous montants non payés des Intérêts consolidés, envers l'Agence pour le Développement international et les Etats-Unis eu égard aux Accords conclus au titre de la Loi publique 480 et de 8,125 pour cent par année civile sur l'encours de la Dette consolidée, y compris tous montants d'Intérêts consolidés, relative aux crédits consentis, garantis ou assurés par l'Export-Import Bank des Etats-Unis, le Ministère de la Défense et la Commodity Credit Corporation. Tous Intérêts consolidés devront être réglés semestriellement le 1^{er} janvier et le 1^{er} juillet de chaque année à partir du 1^{er} juillet 1978, sauf stipulation contraire dans les Accords respectifs de mise en oeuvre.
- c) Un tableau résumant les montants dus aux Etats-Unis et à chaque institution au titre de la Dette consolidée figure à l'Annexe B jointe au présent Accord.

2. Le Zaïre convient de rembourser la Dette non consolidée conformément aux modalités et conditions suivantes:

- a) La Dette non consolidée s'élevant à \$8,5 millions sera remboursée en trois paiements annuels égaux de \$2,83 millions le 1^{er} janvier 1978, le 1^{er} janvier 1979, et le 1^{er} janvier 1980..

b) La moyenne pondérée au taux de l'Intérêt non consolidé sera de 3,5 pour cent par année civile sur l'encours de la Dette non consolidée, y compris tous montants non payés des Intérêts non consolidés, envers l'Agence pour le Développement international et les Etats-Unis eu égard aux Accords conclus au titre de la Loi publique 480, et de 8,125 pour cent par année civile sur l'encours de la Dette non consolidée, y compris tous montants non payés des Intérêts non consolidés, relative aux crédits consentis, garantis ou assurés par l'Export-Import Bank des Etats-Unis, le Ministère de la Défense et la Commodity Credit Corporation. Tous Intérêts non consolidés devront être réglés semestriellement le 1^{er} janvier et le 1^{er} juillet de chaque année à partir du 1^{er} juillet 1978, sauf stipulation contraire dans les Accords respectifs de mise en oeuvre.

c) Un tableau résumant les montants dus au Gouvernement des Etats-Unis et à chaque institution au titre de la Dette non consolidée figure à l'Annexe C ci-jointe.

3. Le Zaïre convient de s'acquitter pleinement des obligations qui lui incombent, y compris le paiement de l'arriéré, aux termes des Accords d'origine, tels que modifiés par le présent Accord, de l'Arrangement, de l'Arrangement du 16 juin 1976 et de l'accord entre les Etats-Unis et le Gouvernement du Zaïre, signé le 17 juin 1977, qui est entré en vigueur le 30 août 1977.

4. Il est entendu que les montants stipulés aux paragraphes 1 et 2 du présent Article peuvent être ajustés par les Accords de mise en oeuvre.

ARTICLE IV

Dispositions générales

1. Le Zaïre convient d'accorder aux Etats-Unis et à leurs institutions, ainsi qu'à tout autre créancier qui est partie à un Accord d'origine, un

traitement et des conditions non moins favorables que ceux qui seraient accordés à tout autre pays créancier pour la consolidation de dettes couverte par l'Arrangement.

2. Sauf dans la mesure où ils peuvent être modifiés par le présent Accord ou par des Accords de mise en œuvre subséquents, toutes les modalités des Accords d'origine restent inchangées.

3. Le Zaïre a déjà effectué des paiements sur la dette consolidée et sur la dette non consolidée envers la Commodity Credit Corporation du 1^{er} janvier 1977 au 31 décembre 1977 comprises dans le présent Accord. Les Etats-Unis sont d'accord pour que ces paiements soient imputés aux futures échéances des montants dus par le Gouvernement du Zaïre à la Commodity Credit Corporation. Les intérêts commenceront à être crédités le lendemain de la date de réception de ces paiements par la Commodity Credit Corporation.

4. L'Agence pour le Développement international limitera le rééchelonnement de la dette à son égard aux cinq prêts directs figurant à l'Annexe A, sous réserve que les montants rééchelonnés par l'Agence pour le Développement international soient équivalents au montant devant faire l'objet d'un rééchelonnement comme énoncé au présent Accord. Le Zaïre convient de régler tous arriérés et montants futurs selon les échéances prévues, concernant le Prêt HG-001 qui ne sera pas rééchelonné par l'Agence pour le Développement international.

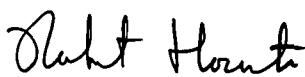
ARTICLE V

Entrée en vigueur

Le présent Accord entrera en vigueur dès réception par le Zaïre d'une notification écrite des Etats-Unis l'avisant que les lois et règlements des Etats-Unis couvrant le rééchelonnement de la dette eu égard au présent Accord ont été observés.

FAIT à Washington, en double exemplaire, ce jour, 7 Février 1979, en anglais et en français, chaque texte faisant également foi.

POUR LES ETATS-UNIS D'AMERIQUE:



POUR LA REPUBLIQUE DU ZAIRE:

EMONY MONDANGA
Commissaire d'Etat aux Finances

[SEAL]

ANNEXE AACCORDS DE PRET SUJETS A REECHERONNEMENTExport-Import Bank

<u>Garanties financières</u> N°	<u>Crédits directs</u> N°
G-2608	--
G-2940	2939
--	2958
G-3186	3185
--	3213
G-4049	4048
G-4401	4400
G-4540, 4601	4539
G-4586	4585
G-4685, 4686	4684
G-4734	4733

Police d'assurance FCIA à moyen terme

MT-10016

Garanties de banques commerciales à moyen termeG-206-2/B6-9390
G-47-411/B6-9365Facilités de financement coopératifCrédit 11260
Crédit 11520
Crédit 12583Loi publique 480

Dates des Accords:

3 octobre 1966
15 mars, 1967
11 décembre, 1967
14 mai, 1969
21 octobre, 1969
7 octobre, 1971
12 août 1968

Commodity Credit CorporationNuméros GSM

13343
13415
13428
13444

Ministère de la DéfensePrêts directs

721
741
751
761

Garantie

711
731

Agence pour le Développement internationalPrêts directs

K-002
K-003
K-006
K-009
H-012

Garantie

HG-001

ANNEXE BRESUME DE LA DETTE CONSOLIDEE*
(en millions de dollars)

Export-Import Bank	30,6
Loi publique 480	2
Commodity Credit Corporation	3,4
Ministère de la Défense	7,6
Agence pour le Développement international	4,4
TOTAL	48,0

* Les chiffres ont été arrondis et sont sujets à révision aux termes du paragraphe 4 de l'Article III

ANNEXE CRESUME DE LA DETTE NON CONSOLIDEE*
(en millions de dollars)

Export-Import Bank	5,4
Loi publique 480	0,4
Commodity Credit Corporation	0,6
Ministère de la Défense	1,3
Agence pour le Développement international	0,8
TOTAL	8,5

* Les chiffres ont été arrondis et sont sujets à révision aux termes du paragraphe 4 de l'Article III

UNION OF SOVIET SOCIALIST REPUBLICS

Deep Sea Drilling Project

*Memorandum of understanding signed at Washington and Moscow
February 16 and 21, 1979;
Entered into force February 21, 1979;
Effective January 1, 1979.*

MEMORANDUM OF UNDERSTANDING

between the U.S. National Science Foundation
and the U.S.S.R. Academy of Sciences
on participation of the U.S.S.R. in the
Deep Sea Drilling Project
from January 1, 1979, through September 30, 1980

In accordance with the Agreement between the Government of the U.S.A. and the Government of the U.S.S.R. on Scientific and Technical Cooperation, signed July 8, 1977,^[1] and with the Agreement between the Government of the U.S.A. and the Government of the U.S.S.R. on Cooperation in the Field of World Ocean Studies, signed June 19, 1973, and renewed by an exchange of notes dated December 15, 1978:^[2]

The sides have agreed as follows:

1. In accordance with the Record of Discussions between the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences of October 16-20, 1972, and with the Memorandum of Understanding between the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences on participation of the U.S.S.R. in the Deep Sea Drilling Project, dated February 27, 1974,^[3] the U.S.S.R. Academy of Sciences will continue its participation in the Deep Sea Drilling Project from January 1, 1979, through September 30, 1980, and will make a financial payment for this period in the amount of one million fifty thousand U.S. dollars. The payment of this amount will take place in 1979 quarterly

¹ TIAS 8620; 28 UST 5195.

² TIAS 7651, 9349; 24 UST 1452; ante, p. 2504.

³ TIAS 9087; 29 UST 4987.

through the U.S. National Science Foundation. The financial contributions of all participants in the DSDP will be commingled to support the total program costs. In the event that the Project is terminated, the U.S.S.R. will be reimbursed on a pro rata basis.

2. The cost of the salaries of Soviet scientists who participate in the DSDP will be paid by the Soviet side.

2.1. Soviet representatives will participate in all the Project activities (meetings of the Executive and Planning Committees, Advisory Panels, post-cruise conferences and others) both in the U.S.A. and other countries under the following terms:

The Soviet side will pay the cost of travel of its scientists from the U.S.S.R. to a point of arrival in the country where a meeting or conference is held, and from the point of departure by Aeroflot flights. The DSDP will cover all the expenses of Soviet scientists within the country, namely: cost of hotel, per diem in the amount of twenty U.S. dollars from the day of arrival in the country through the day of departure by plane of the nearest Aeroflot flight and cost of travel within the country, including transportation from airport to hotel and vice versa.

2.2. Soviet specialists will participate in cruises of Glomar Challenger under the following financial terms:

The Soviet side will pay the cost of travel of its scientists

to and from Glomar Challenger, and the DSDP will provide Soviet scientists and technicians aboard Glomar Challenger with lodging and food and per diem of twelve U.S. dollars.

3. The U.S.S.R. Academy of Sciences will be a member of the DSDP scientific advisory committee constituted to provide scientific advice to the Scripps Institution of Oceanography, which functions as the manager of the DSDP. All members of the advisory committee will have an equal voice in the advisory committee deliberations.

4. The Scripps Institution of Oceanography selects the scientific team for each cruise. During the period of validity of this Memorandum of Understanding, Soviet scientists will participate in six cruises of Glomar Challenger, and in each cruise space will be available for at least one Soviet scientist. In some circumstances, more Soviet participation may be appropriate. No less than seven Soviet scientists will participate in these cruises. Selection of co-chief scientists for any extension of the DSDP shall be subject to discussion between representatives of the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences, with the understanding that no less than one Soviet co-chief scientist shall serve on the cruises covered by this Memorandum of Understanding.

All formal proposals concerning participation of Soviet scientists in cruises of Glomar Challenger and in the scientific

TIAS 9417

advisory committee will be sent to the Scripps Institution of Oceanography by the Chairman of the Soviet side of the U.S.-U.S.S.R. Joint Committee on Cooperation in World Ocean Studies or by persons designated by him.

5. The Soviet side will participate in general geophysical and special investigations of drilling sites by using U.S.S.R. oceanographic ships with the goal of assisting the planning and selection of sites for deep drilling which will be conducted throughout the period of the Project, although during 1979 it is not anticipated that such activities will be undertaken by the Soviet side. The results of these surveys by the Soviet side will be made freely available to all participants in the DSDP and any possible extension. These investigations will be coordinated between the U.S.S.R. Academy of Sciences and the Scripps Institution of Oceanography.

6. The U.S.S.R. Academy of Sciences will direct and coordinate the research efforts of Soviet laboratories for the analyses of appropriate DSDP core samples. The results of these analyses will be provided to the Scripps Institution of Oceanography in an acceptable form and in sufficient time to allow the scheduled publication of each volume of the Initial Reports of the Deep Sea Drilling Project.

7. Scientific data from site surveys and shore-based laboratory analyses that are gathered by the U.S.S.R. Academy of

Sciences for preparation of the Initial Reports of the Deep Sea Drilling Project shall be provided to the Scripps Institution of Oceanography in time to meet mutually agreed schedules. Such scientific data will then be incorporated as appropriate in the Initial Reports of the Deep Sea Drilling Project.

8. In view of the U.S.S.R. contribution to the DSDP, 100 copies of each new volume of the Initial Reports of the Deep Sea Drilling Project will be provided to the LOPI of the U.S.S.R. Academy of Sciences for free distribution among Soviet scientific establishments. The Soviet side may translate these volumes into the Russian language and may publish them in the U.S.S.R., in full or in part, without payment to or additional agreements with the American side. The U.S.S.R., likewise, will provide the U.S. National Science Foundation copies of all U.S.S.R. publications that are based on DSDP materials, which may be translated into English and published in the United States, in full or in part, without payment to or additional agreements with the Soviet side.

9. Other proposals of mutual interest for participation in the Deep Sea Drilling Project will be considered, as appropriate, by representatives of the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences.

10.1. Scientific and administrative representatives of the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences

shall meet at least once a year as mutually agreed to review the program of the Deep Sea Drilling Project, including an annual financial report, and the terms and conditions of this Agreement.

10.2. Scientific and administrative representatives of the U.S. National Science Foundation and the U.S.S.R. Academy of Sciences may meet at the request of either side to review the program of the Deep Sea Drilling Project, and the terms and conditions of this Memorandum of Understanding in the U.S.A. and in the U.S.S.R.

11. This Memorandum of Understanding may be terminated by either side giving the other side advance notice of at least six months prior to the termination date.

12. This agreement will be effective upon its execution in duplicate in the English and Russian languages, both texts being equally authentic.

For the U.S. National Science Foundation

by J. B. Slaughter
John B. Slaughter
Assistant Director
Astronomical, Atmospheric,
Earth, and Ocean Sciences

Date 16 February 1979

For the U.S.S.R. Academy of Sciences

by A. V. Sidorenko,
Academician A. V. Sidorenko
Vice President, U.S.S.R.
Academy of Sciences

Date 21 February 1979

С О Г Л А Ш Е Н И Е

между Академией наук СССР и Национальным научным фондом США об участии СССР в Проекте глубоководного бурения в период с 1 января 1979 г. по 30 сентября 1980 г.

В соответствии с Соглашением между Правительством СССР и Правительством США о сотрудничестве в области науки и техники, подписанным 8 июля 1977 г., и Соглашением между Правительством СССР и Правительством США о сотрудничестве в области исследования Мирового океана, подписанным 19 июня 1973 г., и продленного на основании обмена нотами от 15 декабря 1978 г., стороны договорились о нижеследующем:

1. Согласно Протоколу переговоров между Академией наук СССР и Национальным научным фондом США от 16-20 октября 1972 г. и Соглашению между Академией наук СССР и Национальным научным фондом США об участии СССР в Проекте глубоководного бурения от 27 февраля 1974 г. Академия наук СССР продолжит свое участие в Проекте глубоководного бурения с 1 января 1979 г. по 30 сентября 1980 г. и внесет за этот период взнос в размере 1 млн.50тыс.долларов США. Взнос указанной суммы будет осуществлен в 1979 г. по-квартально через Национальный научный фонд США. Денежные вклады всех участников Проекта глубоководного бурения будут составлять единый фонд, предназначенный для покрытия расходов на реализацию всех программы. В случае, если осуществление Прекста будет прервано, СССР будет возмещен его взнос на пропорциональной основе.

2. Зарплата советским ученым, которые принимают участие в Проекте, будет выплачиваться советской стороной.

2.1. Участие советских представителей во всех мероприятиях по Проекту /заседание Исполнительного и Планирующего комитетов, консультативных комиссий, послерейсовые совещания и др./, проводимых как в США, так и в других странах, будет осуществляться на следующих финансовых условиях:

советская сторона будет оплачивать проезд своих ученых из СССР до пункта прибытия в страну, где проводится заседание или совещание и от пункта убытия рейсами Аэрофлота. Проект глубоководного бурения будет нести расходы советских ученых по пребыванию в этой стране, а именно: оплачивать гостиницу, выдавать суточные в размере 20 долларов США в день со дня прибытия в страну и до дня убытия на самолетах ближайших рейсов Аэрофлота и оплачивать расходы по пересадам внутри страны включая дорогу от аэропорта до гостиницы и обратно.

2.2. Участие советских специалистов в рейсах "Гломара Челленджера" будет осуществляться на следующих финансовых условиях:

советская сторона будет нести расходы по проезду своих ученых до "Гломара Челленджера" и от него, а Проект глубоководного бурения будет обеспечивать советских ученых /технических специалистов/ на борту "Гломара Челленджера" во время рейсов жильем, питанием и суточными в размере 12 долларов США в день.

3. Академия наук СССР будет продолжать являться членом научного консультативного комитета Проекта глубоководного бурения для того, чтобы давать научные рекомендации Скриппсовскому океанографическому институту, который руководит реализацией Проекта. Все члены консультативного комитета будут иметь равноправные голоса во время заседаний комитета.

4. Скриппсовский океанографический институт подбирает научный состав для каждого рейса. В период действия данного Соглашения советские ученые примут участие в 6 рейсах "Гломар Челленджера", в каждом рейсе для них будет предоставлено не менее одного места. В некоторых случаях может потребоваться и большее число советских специалистов. Не менее 7 советских ученых примут участие в этих рейсах. Выбор соначальников по научной части для любого продолжения Проекта глубоководного бурения будет являться предметом переговоров между представителями АН СССР и НИФ США, имея в виду, что 1 советский ученый будет назначен соначальником рейсов в течение действия данного соглашения.

Все конкретные предложения относительно участия советских ученых в рейсах "Гломара Челленджера" и в научном консультативном комитете должны направляться в Скриппсовский океанографический институт председателем Советской части Советско-американской Совместной комиссии по сотрудничеству в области исследования Мирового океана, или лицами, назначенными им.

5. Советская сторона будет участвовать в общих географических и специальных исследованиях районов бурения, используя советские океанографические суда, с целью оказания помощи в планировании и выборе районов глубоководного бурения, которое будет проводиться в период осуществления Проекта, хотя в 1979г. не ожидается, что советская сторона будет проводить такие работы. Результаты этих съемок, проведенных советской стороной, будут свободно доступны для всех участников Проекта и любого возможного предложения. Эти исследования будут координироваться между АН СССР и Скриппсовским океанографическим институтом.

6. Академия наук СССР будет направлять и координировать научные исследования советских лабораторий, занимающихся анализами соответствующих кернов, полученных по Проекту. Результаты этих исследований будут направляться в Скриппсовский океанографический институт в приемлемой форме и заблаговременно с тем, чтобы можно было осуществить запланированные публикации каждого тома предварительных отчетов Проекта.

7. Научные данные исследований в районах предполагаемых скважин и анализы, выполненные в лабораториях, поступающие в Академию наук СССР для подготовки предварительных отчетов Проекта, должны направляться в Скриппсовский океанографический институт своевременно, чтобы обеспечить выполнение взаимосогласованных планов в установленные сроки. Эти научные данные соответствующим образом будут включаться в "Предварительные отчеты Проекта глубоководного бурения".

8. Учитывая вклад СССР в Проект глубоководного бурения, 100 экземпляров каждого нового тома "Предварительных отчетов Проекта глубоководного бурения" будут посыпаться в ЛОПИ АН СССР для бесплатного распределения среди советских научных учреждений. Советская сторона может переводить эти тома на русский язык и может публиковать их полностью или частично, не платя за это американской стороне и не заключая с ней дополнительных соглашений на этот счет. Равным образом СССР будет предоставлять Национальному научному фонду США экземпляры всех советских изданий, основанных на материалах Проекта, которые могут быть переведены на английский язык и опубликованы в США полностью или частично, не платя за это советской стороне и не заключая с ней дополнительного соглашения на этот счет.

9. Если возникнет необходимость, представители Академии наук СССР и Национального научного фонда США рассмотрят и другие предложения, касающиеся участия в Проекте глубоководного бурения и представляющие взаимный интерес.

10.1 Научные и административные представители Академии наук СССР и Национального научного фонда США будут встречаться по меньшей мере раз в год по взаимному соглашению для рассмотрения программы Проекта, включая специальный финансовый отчет, и положений данного Соглашения.

10.2. Научные и административные представители АН СССР и ННФ США могут встречаться, по просьбе одной из сторон, для рассмотрения программы Проекта глубоководного бурения, условий и положений данного соглашения в СССР и в США.

11. Настоящее соглашение может быть прервано каждой из сторон с предупреждением другой стороны, сделанным не менее, чем за шесть месяцев.

12. Данное соглашение вступает в силу после его подписания в двух экземплярах на русском и английском языках, причем оба текста будут иметь одинаковую силу.

За Академию наук СССР

18.9.77
Л.В. Сидоренко

Вице-Президент АН СССР

За Национальный научный фонд ОИР

John B. Slotter
Джон Б. Слоттер

Заместитель Директора

SRI LANKA

Agricultural Commodities

*Agreement signed at Colombo February 22, 1979;
Entered into force February 22, 1979.*

With related letter

Signed at Colombo February 15, 1979.

AGREEMENT BETWEEN
 THE GOVERNMENT OF THE UNITED STATES OF AMERICA
 AND THE
 GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA
 FOR THE SALE OF AGRICULTURAL COMMODITIES UNDER THE
 PUBLIC LAW 480, TITLE I^[1] PROGRAM

The Government of the United States of America and the Government of the Democratic Socialist Republic of Sri Lanka 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 March 25, 1975,^[2] together with the following Part II:

Part II - PARTICULAR PROVISIONS

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)
Wheat/Wheat Flour (Flour basis)	1979	90,000	\$17.0

Item II. Payment Terms: (Convertible Local Currency Credit)

1. Initial Payment ~ 4 percent
2. Currency Use Payment ~ None
3. Number of Installment Payments ~ 31
4. Amount of Each Installment Payment ~ Approximately equal annual amounts
5. Due date of First Installment Payment ~ 10 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. Fiscal Year)	<u>Usual Marketing Requirements</u> (Metric tons)
Wheat/Wheat Flour (Flour basis)	1979	188,000

¹68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

²TIAS 8107; 26 UST 1245.

Item IV. Export Limitations:

- A. The export limitation period shall be U.S. Fiscal Year 1979 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 wheat/wheat flour -- wheat, wheat flour, rolled wheat, semolina, farina, and bulgur (or the same product under a different name).

Item V. Self-Help Measures

- A. In implementing these self-help measures, specific emphasis will be placed on contributing directly to development progress 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 Democratic Socialist Republic of Sri Lanka shall undertake the following self-help measures in its effort to increase its food and agricultural production.
1. Expand and decentralize, on a regional basis, agricultural research to compliment food production oriented extension programs that will address the needs of small and medium size (1-5 acre plots) farmers, (including cropping systems and methods of tillage). Research efforts will focus on:
- (A) Development of production technology designed to increase yields of food crops economically adaptable to small farm production; and

(B) Training of Sri Lanka personnel to carry out crop production research and disseminate information on the results to small farmers through extension programs.

2. Encourage participation of rural farming population in the decision-making process through increased reliance on cooperatives, agricultural service centers, and other district level organizations.

3. Develop information, statistical and analytical procedures for estimating foodgrain and other agricultural production forecasts and consumption requirements by:

(A) Placing particular emphasis on improving the gathering and compilation of statistical data and information as it relates to agriculture;

(B) Strengthening data gathering program for sub-sector studies, placing emphasis on small farmers, to evaluate methods of obtaining agricultural inputs, production trends, and utilization of small farm products; and

(C) Developing a data collection and analysis system which could be used to monitor and evaluate agricultural development activities, including self-help measures.

4. Expand and improve storage and warehouse facilities for rice, other foodgrains and food commodities, particularly those located at inland terminal locations, markets, villages and towns, and port areas so as to:

(A) Upgrade storage, handling and distribution of agricultural commodities;

(B) Improve the marketing and distribution of small farm production; and

- (C) Reduce losses due to pests and spoilage.
5. Improve the coordination and scheduling of grain imports (under both concessionary and commercial terms) with domestic production and the availability of storage.
6. Improve the availability of vital inputs, such as fertilizer, credit and seeds, needed to expand and/or improve small farm agriculture.
7. Expand irrigation and improve water management practices in new and existing lands.
8. Upgrade reforestation and dry land and watershed management programs.

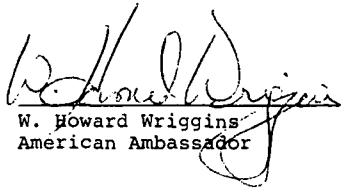
Item VI. Economic Development Purposes for which Proceeds

Accruing to Importing Country are to be Used:

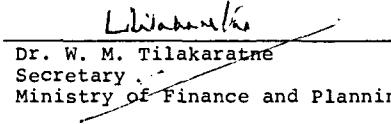
- A. The proceeds accruing to the importing country from the sales of the commodities financed under this Agreement will be used for financing the self-help measures set forth in Item V and for agricultural development objectives identified in the National Budget of the Government of the Democratic Socialist Republic of Sri Lanka, including the following: irrigation, land development, extension, marketing, input distribution, and population planning.
- 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 Colombo this twenty-second day of
February, 1979.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:


W. Howard Wiggins
American Ambassador

FOR THE GOVERNMENT OF THE
DEMOCRATIC SOCIALIST REPUBLIC
OF SRI LANKA:


Dr. W. M. Tilakaratne
Secretary
Ministry of Finance and Planning

[RELATED LETTER]

EMBASSY OF THE
UNITED STATES OF AMERICA
COLOMBO, SRI LANKA

FEBRUARY 15, 1979

Mr. S. VELAYUTHAM
Director
External Resources Division
Ministry of Planning and Economic Affairs
Ceylinco House - 2nd Floor
Colombo 1

DEAR MR. VELAYUTHAM:

This letter will constitute the agreed minutes of our negotiations on the Agreement between our Governments to be signed on February 21, 1979, for sales of agricultural commodities.

Discussions began with a general review of the provisions of Public Law 480 and of A.I.D.'s airgram AIDTO Circular A-487 dated July 4, 1974, the contents of which are incorporated herein by reference. It was further understood and agreed that:

1. Purchase authorizations issued under this Agreement will contain requirements that invitations for bids (IFBs) for both commodity and freight must be submitted to the Office of the General Sales Manager, U.S. Department of Agriculture (USDA), Washington, for approval prior to their release to prospective bidders. The primary purpose of this requirement is to enable the USDA to ensure that invitations do not contain terms or conditions which may be in conflict with purchase authorization terms and P.L. 480 financing regulations. Prior review of invitations will also give the USDA specialists an opportunity to provide advice and assistance in assuring realistic commodity delivery schedules and maximum flexibility in matching the available shipping to the commodity contracts.
2. Purchases of food commodities under the Agreement must be made on the basis of IFB publicly advertised in the United States and on the basis of bid offerings which must conform to the IFB. Bid offerings must be received and publicly opened in the United States. All awards under IFBs must be consistent with open, competitive, and responsible bid procedures.
3. In making awards, the recipient country must normally accept the lowest FAS price offered in conformity with IFB specifications. However, if the buyer can demonstrate that an award at a higher FAS price, in combination with a lower freight cost, would result in the lowest landed cost, the USDA is prepared to allow an exception to this rule.

4. Commissions, fees, or other payments to any selling agent are prohibited in any purchase of commodities under the Agreement.
5. If the Government of Sri Lanka nominates a purchasing agent and/or shipping agent to procure commodities or arrange ocean transportation under the Agreement, the Government of Sri Lanka must notify the General Sales Manager, USDA, in writing of such nomination and provide along with the notification a copy of the proposed agency agreement. All purchasing and shipping agents must be approved by the General Sales Manager's office in accordance with new regulatory standards designed to eliminate certain potential conflicts of interest.
6. Purchase Authorizations will be issued under the Agreement only after the U.S. Secretary of Agriculture has determined under the Bellmon Amendment (Section 401 (B) and (2)) of P.L. 480 that: (i) adequate storage facilities are available in the recipient country at the time of exportation to prevent the spoilage or waste of the commodity, and (ii) the distribution of the commodity in the recipient country will not result in a substantial disincentive to domestic production in that country.
7. With regard to the determination of adequate storage facilities the Government of Sri Lanka will provide the Embassy with a statement with supporting analysis that adequate facilities are expected to be available to handle (including port facilities), store, and distribute the commodity provided under the Agreement during the proposed delivery periods without spoilage or waste. This information will have to be updated at a later date based on actual conditions (including port congestion) relevant to specific delivery periods prior to the issuance of each purchase authorization.
8. To assist the U.S. Secretary of Agriculture in making the necessary determinations, the Government of Sri Lanka will provide the Embassy with the following information at least three working days before signing the Agreement: (i) the type and grade of commodity to be purchased in accordance with official U.S. standards; (ii) the proposed contracting and delivery schedules; (iii) the names and addresses of banks, both U.S. and foreign, which will be handling financial operations; and (iv) assurance that appropriate authorities of the Government of Sri Lanka are prepared to make immediate transfers of funds to cover ocean freight costs and to meet the initial payment requirement related to contracts to be concluded pursuant to the Agreement. As a general rule, purchase authorizations will not be issued until the USDA has received this information by cable from the Embassy.
9. Arrangements have also been made by the Government of Sri Lanka to relay to the Sri Lanka Embassy in Washington

all instructions, information, and authority necessary to enable timely implementation of the Agreement, including: (i) commodity specifications, (ii) contracting and delivery periods, (iii) the names and addresses of U.S. and foreign banks handling transactions (e.g. letters of credit for commodity and freight), (iv) authority to request and sign purchase authorizations and other necessary documents, (v) complete instructions, information and authority regarding arrangements for purchasing commodities and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and (vi) instructions to contact the Programs Operations Division, Office of the General Sales Manager, USDA, regarding the foregoing.

10. The Government of Sri Lanka was informed that commodity suppliers in the United States are refusing to load vessels when acceptable letters of credit for both commodity and freight suppliers are not available at the time of loading. This has resulted in costly claims by vessel owners for demurrage and/or detention of claims and carrying charges by commodity suppliers. Delays in opening letters of credit and settlement of the final ten percent of freight will also result in higher commodity prices and freight rates. As a consequence, letters of credit must be opened for 100 percent of the ocean freight charges in favor of the supplier of ocean transportation prior to the vessel's presentation for loading.
11. The Government of Sri Lanka will take appropriate measures to ensure that operable letters of credit for both commodity and freight will be opened, and confirmed by designated U.S. banks immediately after contracting under each Purchase Authorization is concluded, and before vessels arrive at loading ports.
12. The usual marketing requirement (UMR) in Part II, Item III, of the Agreement is 188,000 metric tons of wheat flour (or 250,000 metric tons of wheat on a grain equivalent basis) for import through normal commercial channels during U.S. Fiscal Year 1979. This UMR is the same as that contained in the Title I Agreement signed January 9, 1978 [¹] and is substantially below the five year average of commercial imports (FY 1973 to 1977). The Government of the United States would expect future agreements to reflect increases in the UMR until it returns to the average of commercial imports.
13. Taking into account Sri Lanka's current economic and financial situation, Part II, Item II, of the Agreement provides for an initial payment of 4 percent, rather than the normally required 5 percent, and no currency use payment.
14. Particular attention was drawn to Part I, Article I (E), of the Agreement signed March 25, 1975, which provides that the

¹ TIAS 9052; 29 UST 4164.

export market value specified in Part II may not be exceeded. This means that if commodity prices increase over those used in announcing the quantity market value indicated in Part II of the Agreement, the quantity to be financed under the Agreement will be less than the approximate maximum quantity set forth in Part II. Should commodity prices decrease, however, the quantity of commodity to be financed may be limited to that specified in Part II. However, should prices drop sufficiently, the Government of the United States foresees no problem in the purchase of up to 100,000 metric tons of wheat flour under this Agreement.

15. Recent legislation affecting Section 106 (B) and 109 (A) of PL 480 requires: (i) specific emphasis on implementation of self-help measures so as to contribute directly to development progress in increasing agricultural production through small farm agriculture; and (ii) use of proceeds for purposes which directly improve the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country. These requirements are reflected in the Agreement text Part II, Items V and VI.
16. Reporting is an essential part of the P.L. 480, Title I Program. Discussions were held with the Government of Sri Lanka about its responsibilities for submission of timely reports on compliance, shipping and arrival information (ADP sheets), self-help and use of sales proceeds, as required under Part I, Article III (D), of the Agreement signed March 25, 1975.
17. For identification and publicity of the commodities to be received, in accordance with Part I, Article III (I), of the March 25, 1975, Agreement, the Government of Sri Lanka will insure insofar as practicable that food commodities are marked or identified at point of distribution or sale as being provided on a concessional basis to the Government of Sri Lanka by the people of the United States. In addition, the Government of Sri Lanka will publicize to the people of Sri Lanka, by public media and other means, including newspapers and radio, that the commodities are being provided on a concessional basis through the friendship of the American people. Quarterly reports on measures taken to implement these requirements will be submitted on the same schedule as other quarterly reporting required under the Agreement.

Please sign and return to me the attached copy of this letter to serve as a record of the matters on which we have agreed during negotiations of the new P.L. 480, Title I Sales Agreement.

Sincerely yours,

JOHN P SPILLANE

John P. Spillane
First Secretary
Economic/Commercial

I concur in the above statements

S VELAYUTHAM

S. Velayutham, *Director*
Division of External Resources
Ministry of Planning and
Economic Affairs

MEXICO
Trade in Textiles and Textile Products

*Agreement effected by exchange of notes
Signed at Washington February 26, 1979;
Entered into force February 26, 1979;
Effective May 1, 1978.*

The Acting Secretary of State to the Mexican Ambassador

February 26, 1979

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with annexes, done at Geneva on December 20, 1973, and extended by protocol adopted on December 14, 1977 at Geneva^[1] (hereinafter referred to as the Arrangement).

I have also the honor to refer to recent discussions between representatives of the Government of the United Mexican States and the Government of the United States of America, concerning exports to the United States of America of cotton, wool, and man-made fiber textiles and textile products manufactured in the United Mexican States. As a result of these discussions, and in conformity with Article 4 of the Arrangement, I have the honor to propose, on behalf of the Government of the United States of America, the following agreement relating to trade in cotton, wool, and man-made fiber textiles and textile products between the United Mexican States and the United States of America.

1. The term of this Agreement shall be from May 1, 1978 through December 31, 1981. The first Agreement Period shall be the eight month period from May 1, 1978 through December 31, 1978. The second, third and fourth Agreement Periods shall be calendar years, with the second Agreement

His Excellency

Hugo B. Margain,

Ambassador of Mexico.

^[1] TIAS 7840, 8939; 25 UST 1001; 29 UST 2287.

Period beginning January 1, 1979 and ending on December 31, 1979.

2. Textiles and textile products covered by this Agreement shall be classified in three groups for the second, third and fourth Agreement Periods as follows:

<u>Group</u>	<u>Definition</u>
I	Yarns of cotton, wool and man-made fibers. (Categories 300, 301, 400, 600-605).
II	Fabrics, made-up goods and miscellaneous non-apparel products of cotton, wool and man-made fibers. (Categories 310-320, 360-363, 369, 410, 411, 425, 429, 464, 465, 469, 610-614, 625-627, 665, 666, 669).
III	Apparel of cotton, wool and man-made fibers. (Categories 330-342, 345, 347-352, 359, 431-436, 438, 440, 442-448, 459, 630-652, 659).

The determination of whether a textile or textile product is of cotton, wool, or man-made fiber shall be made in accordance with the terms of paragraph 9. The Categories referred to in the above definitions of groups are those listed in Annex A.

3. The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this agreement for the second, third and fourth Agreement Periods except that the following pairs of Categories are merged and treated as single Categories and Sub-categories as indicated, with Specific Limits for Categories and Specific Sub-limits for Sub-categories as set out in Annex B:

<u>Categories Merged</u>	<u>Designation</u>	<u>Sub-categories</u>
338, 339	338/339	None
347, 348	347/348	347;348
634, 635	634/635	634;635
638, 639	638/639	638;639
647, 648	647/648	647;648

4. During the first Agreement Period, the Government of the United Mexican States shall limit exports from the United Mexican States to the United States of America of cotton, wool, and man-made fiber textiles and textile products to:

(A) 104.67 percent of two-thirds of the Specific Limits applicable to the May 1, 1977 to April 30, 1978 Agreement Period under the provisions of the agreement relating to trade in cotton, wool, and man-made fiber textiles, with annexes, effected by exchange of notes at Washington, May 12, 1975, as amended^[1] (hereinafter referred to as the 1975 Agreement);

(B) The minimum consultation levels and two-thirds of the designated consultation levels applicable to the May 1, 1977 to April 30, 1978 Agreement Period under the provisions of the 1975 Agreement, except as provided for in Sub-paragraph 4 (C);

(C) 48,666,667 square yards equivalent for Categories 300 and 301 combined, and 29,333,333 square yards equivalent for Category 300 and for Category 301.

5. During the second, third and fourth Agreement Periods, the Government of the United Mexican States shall limit exports from the United Mexican States to the United States of America of cotton, wool and man-made fiber textiles and textile products to the Specific Limits and Sub-limits set out in Annex B, as such Limits may

¹ TIAS 8079, 8272, 8674, 9171; 26 UST 910; 27 UST 1627; 28 UST 6147; 29 UST 6082.

be adjusted in accordance with paragraphs 7 and 8. The Limits set out in Annex B do not include any adjustments permitted under paragraphs 7 and 8.

6. During the second, third and fourth Agreement Periods, exports from the United Mexican States to the United States of America classified in Categories not subject to Specific Limits shall be regulated as follows:

(A) (1) With regard to imports into the United States from Mexico in Categories 300-320, 360-369, 600-627, 665-669, 400-429 and 464-469, the Government of the United States of America may request consultations with the Government of the United Mexican States with a view towards eliminating real risks of market disruption, as defined in Annex A of the Arrangement. The Government of the United States of America shall provide the Government of the United Mexican States with the reasons and justification which in the view of the Government of the United States of America demonstrate such market disruption, and which prompted the request, and with the latest data concerning elements of market disruption. Consultations under this paragraph will not be requested for any Category when exports from the United Mexican States to the United States of America are at annual levels less than 1,000,000 square yards equivalent for cotton and man-made fiber textiles and textile products, and 100,000 square yards equivalent for wool textiles and textile products.

(2) the Government of the United Mexican States agrees to consult with the Government of the United States of America within 60 days of receipt of the request for consultations. Both Governments agree to make every effort to reach agreement on a mutually satisfactory level

within 90 days of the receipt by the Government of the United Mexican States of the request, unless this period is extended by mutual agreement. During the 90 day period, the Government of the United Mexican States will limit exports to the United States of America in the Category or Categories in question to an amount equal to 27.5 percent of the level of exports from the United Mexican States to the United States of America during the first twelve months of the fourteen months preceding the request for consultations, unless both Governments agree that a larger percentage is appropriate to account for seasonal factors. In reaching a mutually satisfactory level, the two Governments will take into account the situation in the United States market and will act in accordance with:

- 1) the history of textile trade between the United Mexican States and the United States of America,
- 2) the previous permissible levels of trade,
- 3) the equitable treatment of the United Mexican States as compared with other suppliers of like textiles and textile products, and
- 4) if appropriate, the United Mexican States' position as a potential new entrant in respect of certain textiles and textile products.

To the extent possible, the United States of America will recognize the need to avoid undue hardship to the commercial participants in the trade involved. If agreement is not reached on a mutually satisfactory level during the 90 days' period, the Government of the United Mexican States agrees to limit its exports in the Category or Categories in question in that Agreement Period to 111 percent of the highest level of annual trade reached during any one of the three Agreement Years of the 1975 Agreement.

(3) Notwithstanding the provisions of paragraph 6(A)(2) above, the Government of the United States of America will not restrain imports below 44 million square yards equivalent in either Category 300 (Carded cotton yarn) or 301 (Combed cotton yarn), or below 73 million square yards equivalent in Categories 300 and 301 combined.

(B) Categories not subject to Specific Limits or Sub-limits or to Sub-paragraph 6 (A) of this Agreement are subject to consultation levels. In the event the Government of the United Mexican States wishes to permit exports to the United States of America in any such Category in excess of the applicable consultation level during any Agreement Period, the Government of the United Mexican States shall request consultations with the Government of the United States of America which shall respond within 30 days. Until agreement on a different level of exports is reached, the Government of the United Mexican States shall limit exports to the United States of America in the Category or Categories in question to the existing consultation level. Except as specified in Annex C, the annual consultation level for each Category not given a specific limit and not subject to Subparagraph 6 (A) shall be 700,000 square yards equivalent for cotton and man-made fiber Categories, and 100,000 square yards equivalent for wool Categories.

7. During any Agreement Period, any Specific Limit or Specific Sublimit established in Subparagraph 4(A) or Annex B may be exceeded by not more than 7 percent. Adjustments made pursuant to this paragraph are in addition to those made pursuant to paragraph 8 of this Agreement.

8. (A) In any Agreement Period, in addition to any adjustments pursuant to paragraph 7 of this Agreement, exports may exceed by a maximum of 11 percent (6 percent during the first Agreement Period) any Specific Limit or Specific Sublimit by allocating to such limit for that Agreement Period an unused portion ("Shortfall") of the corresponding Limit for the previous Agreement Period ("Carryover") or a portion of the corresponding Limit for the succeeding Agreement Period ("Carry Forward") subject to the following conditions:

(I) Carryover may be utilized as available up to 11 percent of the receiving Agreement Period's applicable Limits, provided, however, that Carryover during the second Agreement Period may be utilized up to 7.25% of the receiving Agreement Period's applicable Limit;

(II) The combination of Carryover and Carry Forward may not exceed 11 percent of the receiving Agreement Period's applicable Limits;

(III) Carry Forward may be utilized up to 6 percent of the receiving Agreement Period's applicable Limits and charged against the immediately following Agreement Period's corresponding Limits;

(IV) Carryover of Shortfall (as defined in Sub-paragraph 8 (B) of this Agreement) shall be applied to any Specific Limits or Specific Sub-Limit following notice given by the Government of the United Mexican States, and confirmation by the Government of the United States of America that sufficient Shortfall exists. If the Government of the United States of America believes sufficient Shortfall does not exist, it will promptly provide data to support that

belief. If substantial statistical differences exist between the import and export data upon which Shortfall for a given Agreement Period is computed, the parties shall work to resolve these differences as soon as possible.

(B) For purposes of this Agreement, a Shortfall occurs when exports of textiles or textile products of Mexican origin to the United States of America during an Agreement Period are below any applicable Specific Limit or Specific Sublimit specified in Annex B. In the Agreement Period following the Shortfall, exports from the United Mexican States to the United States of America may be permitted to exceed the Specific Limits and Sublimits, subject to conditions of Subparagraph 8 (A) of this Agreement, by Carryover of Shortfalls in the following manner:

(I) The Carryover applied to a Category or Sub-Category shall not exceed the amount of Shortfall in any applicable Specific Limit or Specific Sub-limit;

(II) In the case of Shortfall in a Category or Sub-category subject to a Specific Limit or Specific Sub-limit, the Shortfall shall be used in the same Category or Sub-category in which the Shortfall occurred.

(C) The limits referred to in Sub-paragraph (A) and (B) of this paragraph are without any adjustment under this paragraph or paragraph 7 of this Agreement.

(D) The total adjustment under this paragraph shall be in addition to the adjustments to the Limits permitted by paragraph 7.

9. (A) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products, all being products which derive their chief characteristics from their textile components, of cotton, wool, or man-made fibers, or blends thereof, in which any or all of those fibers in combination represent either the chief

value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to the terms of this Agreement.

(B) For the purposes of this Agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by Sub-paragraph 9(A) but not in chief value of cotton, wool or man-made fiber shall be classified as:

- (i) Cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fiber component;
- (ii) Wool textiles if not cotton, and the wool equals or exceeds 17 percent by weight of all component fibers; and
- (iii) Man-made fiber textiles if neither of the foregoing applies.

10. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this Agreement, including differences in points of procedure or operation.

11. The Governments of the United States of America and the United Mexican States recognize that the successful implementation of this Agreement depends in large part upon mutual cooperation on statistical questions. The Government of the United States of America shall promptly supply the Government of the United Mexican States with data on monthly imports of cotton, wool and man-made fiber textiles from the United Mexican States. The Government of the United Mexican States shall promptly supply the Government of the United States of America with data on monthly exports of cotton, wool and man-made fiber textiles to the United States of America. Each

Government agrees to supply promptly any other available relevant statistical data requested by the other Government.

12. The Government of the United Mexican States shall use its best efforts to space exports from the United Mexican States to the United States of America within each Category or Sub-category evenly throughout each Agreement Period, taking into consideration normal seasonal factors.

13. If the Government of the United Mexican States considers that, as a result of limitations specified in this Agreement, it is being placed in an inequitable position in relation to a third country, the Government of the United Mexican States may request consultations with the Government of the United States of America with a view to taking remedial action such as a reasonable modification of this agreement. These consultations will begin within 30 days from the date of request, unless mutually agreed otherwise.

14. Both Governments shall take appropriate measures of export and import control to implement the limitation provisions of the Agreement. The nature of these measures may be a matter of discussion pursuant to paragraph 10.

15. In conformity with Article 12, paragraph 3, of the Arrangement, this Agreement shall not apply to Mexican exports of handloom fabrics of the cottage industry, or hand-made cottage industry products made of such handloom fabrics, or traditional folklore handicraft textile products, provided that such exports are properly certified under arrangements established between the two Governments pursuant to paragraphs 10 and 17 of this Agreement.

16. Mexican exports of textiles and textile products in shipments individually valued at less than \$250.00 shall not be charged to the limits of this Agreement provided that such are properly certified.

17. The visa and certification system established by the Governments of the United States of America and the United Mexican States by exchange of letters dated October 6, 1975 will be re-established subject to such modifications as may be agreed to under paragraph 10.

18. (A) The Government of the United States of America and the United Mexican States agree to consult, upon the request of either Government, on any question arising in the implementation of this Agreement. If the two Governments are unable to reach a mutually satisfactory solution within a reasonable period of time to problems which have been the subject of consultations under the Agreement, either Government may, after notification to the other Government, refer such problems to the Textile Surveillance Body in accordance with Article 11 of the Arrangement.

(B) The two Governments agree to undertake a major review of this Agreement before the end of the second Agreement Period unless the two Governments mutually agree otherwise.

(C) Notwithstanding any other provision of this Agreement, the Government of the United Mexican States will limit Mexican exports to the United States of America of products classified in TSUSA 310.5049 as a Sub-category of Category 604 to 3.5 million square yards equivalent during the second Agreement Period. Adjustments to the levels for the 1980 and 1981 Agreement Periods will be determined by bilateral consultation prior to those Agreement Periods.

(D) Pending resolution of data discrepancies between United States import and Mexican export statistics for Categories 228 and 641 (man-made fiber blouses, not knit), overshipments in the last Agreement Period of the 1975 Agreement will be charged to one or more periods of this Agreement.

19. Either Government may terminate this Agreement effective at the end of any Agreement Period, by written notice to the other Government, to be given at least 90 days prior to the end of such Agreement Period. Either Government may at any time propose revisions in the terms of this Agreement.

20. During the term of the Agreement, the Government of the United States of America will not apply the provisions of Article 3 of the Arrangement to any textile or apparel product covered by this Agreement.

If the foregoing conforms with the understanding of the Government of the United Mexican States, this note and your Excellency's note of confirmation on behalf of the Government of the United Mexican States shall constitute an Agreement between our two Governments effective on the date of your Excellency's note of confirmation.

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

For the Acting Secretary of State:

William Barracough

TIAS 9419

ANNEX A

Category	Description	Conversion Factor	Unit of Measure
<u>YARN</u>			
-- Cotton			
300	Carded	4.6	Lb.
301	Combed	4.6	Lb.
-- Wool			
400	Tops and yarn	2.0	Lb.
-- Man-made fiber			
600	Textured	3.5	Lb.
601	Cont. cellulosic	5.2	Lb.
602	Cont. noncellulosic	11.6	Lb.
603	Spun cellulosic	3.4	Lb.
604	Spun noncellulosic	4.1	Lb.
605	Other yarns	3.5	Lb.
<u>FABRIC</u>			
-- Cotton			
310	Gingham	1.0	SYD
311	Velveteens	1.0	SYD
312	Corduroy	1.0	SYD
313	Sheeting	1.0	SYD
314	Broadcloth	1.0	SYD
315	Printcloths	1.0	SYD
316	Shirtings	1.0	SYD
317	Twills and Sateens	1.0	SYD
318	Yarn-dyed	1.0	SYD
319	Duck	1.0	SYD
320	Other fabrics, n.k.	1.0	SYD
-- Wool			
410	Woolens and worsted	1.0	SYD
411	Tapestries and upholstery	1.0	SYD
425	Knit	2.0	Lb.
429	Other Fabrics	1.0	SYD

-- Man-made fiber

610	Cont. cellulosic, n.k.	1.0	SYD
611	Spun cellulosic, n.k.	1.0	SYD
612	Cont. noncellulosic, n.k.1.0		SYD
613	Spun noncellulosic, n.k. 1.0		SYD
614	Other fabrics, n.k.	1.0	SYD
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	SYD
627	Specialty	7.8	Lb.

APPAREL

-- Cotton

330	Handkerchiefs	1.7	Dz.
331	Gloves	3.5	DPR
332	Hosiery	4.6	DPR
333	Suit-type coats, M and B	36.2	Dz.
334	Other coats, M and B	41.3	Dz.
335	Coats, W, G and I	41.3	Dz.
336	Dresses (inc. uniforms)	45.3	Dz.
337	Playsuits, sunsuits, washsuits, creepers	25.0	Dz.
338	Knit shirts, (inc. T- shirts, other and sweatshirts) M and B	7.2	Dz.
339	Knit shirts and blouses (inc. T-shirts, other & sweatshirts) W, G and I	7.2	Dz.
340	Shirts, n.k.	24.0	Dz.
341	Blouses, n.k.	14.5	Dz.
342	Skirts	17.8	Dz.
345	Sweaters	36.8	Dz.

347	Trousers, slacks, and shorts (outer)		
	M and B	17.8	Dz.
348	Trousers, slacks and shorts (outer) W,		
	G and I	17.8	Dz.
349	Brassieres, etc.	4.8	Dz.
350	Dressing gowns, inc. bathrobes, and beach robes, lounging gowns house coats, and dusters	51.0	Dz.
351	Pajamas and other nightwear	52.0	Dz.
352	Underwear (inc. union suits)	11.0	Dz.
359	Other apparel	4.6	Lb.
	-- Wool		
431	Gloves	2.1	DPR
432	Hosiery	2.8	DPR
433	Suit-type coats, M and B	3.0	No.
434	Other coats, M and B	4.5	No.
435	Coats, W, G and I	4.5	No.
436	Dresses	4.1	No.
438	Knit shirts and blouses	15.0	Dz.
440	Shirts and blouses, n.k.	24.0	Dz.
442	Skirts	1.5	No.
443	Suits, M and B	4.5	No.
444	Suits, W, G and I	4.5	No.
445	Sweaters, M and B	14.88	Dz.
446	Sweaters, W, G and I	14.88	Dz.
447	Trousers, slacks, and shorts (outer)		
	M and B	1.5	No.

448	Trousers, slacks and shorts (outer)		
	W, G and I	1.5	No.
459	Other wool apparel	2.0	Lb.
-- Man-made fiber			
630	Handkerchiefs	1.7	Dz.
631	Gloves	3.5	DPR
632	Hosiery	4.6	DPR
633	Suit-type coats, M and B	36.2	Dz.
634	Other coats, M and B	41.3	Dz.
635	Coats, W, G and I	41.3	Dz.
636	Dresses	45.3	Dz.
637	Playsuits, sunsuits, washsuits, etc.	21.3	Dz.
638	Knit shirts, (inc. T- shirts), M and B	18.0	Dz.
639	Knit shirts and blouses (inc. T-shirts), W, G and I	15.0	Dz.
640	Shirts, n.k.	24.0	Dz.
641	Blouses, n.k.	14.5	Dz.
642	Skirts	17.8	Dz.
643	Suits, M and B	4.5	No.
644	Suits, W, G and I	4.5	No.
645	Sweaters, M and B	36.8	Dz.
646	Sweaters W, G and I	36.8	Dz.
647	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.
648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.

649	Brassieres, Etc.	4.8	Dz.
650	Dressing gowns, inc.		
	bath and beach robes	51.0	Dz.
651	Pajamas and other		
	nightwear	52.0	Dz.
652	Underwear	16.0	Dz.
659	Other apparel	7.8	Lb.

MADE-UPS AND MISC.**-- Cotton**

360	Pillowcases	1.1	No.
361	Sheets	6.2	No.
362	Bedspreads and quilts	6.9	No.
363	Terry and other pile		
	towels	0.5	No.
369	Other cotton		
	manufactures	4.6	Lb.

-- Wool

464	Blankets and auto robes	1.3	Lb.
465	Floor covering	0.1	SFT
469	Other wool manufactures	2.0	Lb.

-- Man-made fiber

665	Floor coverings	0.1	SFT
666	Other furnishings	7.8	Lb.
669	Other man-made		
	manufactures	7.8	Lb.

ANNEX B

SPECIFIC LIMITS AND SUB-LIMITS

<u>Category</u>	<u>Description</u>	<u>Units</u>	<u>Specific Limits</u>		
			<u>1979</u>	<u>1980</u>	<u>1981</u>
335	Women's, Girls' and Infants' Coats	DOZ	32,082	34,328	36,731
338/339	Knit Shirts and Blouses	DOZ	368,056	393,820	421,387
347/348 (347) (348)	Trousers Men's and Boys' Women's, Girls' and Infants'	DOZ DOZ DOZ	526,626 (315,976) (315,976)	563,490 (338,094) (338,094)	602,934 (361,761) (361,761)
633	Men's and Boys' Suit-Type Coats	DOZ	46,961	50,248	53,766
634/635 (634) (635)	Other Coats Men's and Boys' Other Coats	DOZ DOZ	267,710 (160,626) (160,626)	286,450 (171,870) (171,870)	306,501 (183,901) (183,901)
638/639 (638) (639)	Knit Shirts and Blouses Men's and Boys' Women's, Girls' and Infants'	SYE SYE SYE	12,873,433 (7,724,060) (7,724,060)	13,774,573 (8,264,744) (8,264,744)	14,738,793 (8,843,276) (8,843,276)
641	Blouses, Not Knit	DOZ	265,222	283,788	303,653
647/648 (647) (648)	Trousers Men's and Boys' Women's, Girls' and Infants'	DOZ DOZ DOZ	1,309,185 (785,511) (785,511)	1,400,828 (840,497) (840,497)	1,498,886 (899,332) (899,332)
649	Brassieres, etc.	DOZ	2,277,083	2,437,500	2,606,250

ANNEX CDESIGNATED CONSULTATION LEVELS
(SQUARE YARDS EQUIVALENT)

<u>Category</u>	<u>Description</u>	<u>Limit</u>
331	Gloves	2,000,000
334	Men's and Boys' Other Coats	1,000,000
336	Dresses	1,000,000
340	Shirts, Not Knit	2,200,000
341	Blouses, Not Knit	1,000,000
433	Men's and Boys' Suit-Type Coats	200,000
434	Men's and Boys' Other Coats	125,000
435	Women's, Girls' and Infants' Coats	800,000
636	Dresses	7,500,000
640	Shirts, Not Knit	9,100,000
642	Skirts	2,000,000
644	Women's, Girls' and Infants' Suits	2,000,000
651	Nightwear	4,000,000
652	Underwear	24,000,000
659	Other Apparel	18,000,000

The Mexican Ambassador to the Secretary of State

0118

Washington, D. C.,
26 de febrero de 1979.

Señor Secretario:

Tengo el honor de acusar recibo de su nota de esta fecha, en la que propone un Convenio sobre Comercio de Textiles de Algodón, Lana y Fibras Artificiales entre México y Estados Unidos.

Deseo confirmar, en nombre del Gobierno de México, que lo expresado en su nota, concuerda con los arreglos a que se llegaron en las discusiones que menciona Vuestra Excelencia. Por lo tanto, su nota y esta nota de confirmación, constituirán el Convenio entre nuestros dos Gobiernos sobre esta materia.

Reitero a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

A handwritten signature in black ink, appearing to read "Hugo B. Margain".

Hugo B. Margain,
Embajador.

Excelentísimo señor Cyrus Vance
Secretario de Estado
Washington, D.C.

TRANSLATION

EMBASSY OF MEXICO

0178

Washington, D.C.,
February 26, 1979

Mr. Secretary:

I have the honor to acknowledge receipt of your note of this date proposing an Agreement relating to Trade in Cotton, Wool, and Man-Made Fiber Textiles between Mexico and the United States.

On behalf of the Government of Mexico I should like to confirm that the terms expressed in your note conform with the understandings reached during the discussions to which Your Excellency refers. Therefore, your note and this note of confirmation shall constitute an Agreement between our two Governments on this matter.

I renew to your Excellency the assurances of my highest and most distinguished consideration.

Hugo B Margain

Hugo B. Margain
Ambassador

His Excellency
Cyrus Vance,
Secretary of State,
Washington, D.C.

COLOMBIA

Aviation: Jet Fuel Prices

*Memorandum of agreement signed at Bogotá
February 22, 1979;
Entered into force February 22, 1979;
Effective January 16, 1979.*

MEMORANDUM OF AGREEMENT

During the conversations held at the Ministry of Foreign Relations of Colombia on December 18 through 21, 1978, between the representatives of the Government of the United States of America and of the Government of Colombia, accompanied by their respective advisers from the public and private sectors, the subject of renewal of the Memorandum of Agreement of January 11, 1978,^[1] concerning the price of jet fuel for the American companies which operate in Colombia, and, more specifically, the situation of Braniff International, was discussed.

The Representative of the Government of the United States, interpreting Articles 7 and 8 of the Air Transport Agreement between the Government of the Republic of Colombia and the Government of the United States of America, signed October 24, 1956,^[2] noted that the 1978 Memorandum of Agreement had proved to be a useful arrangement, but urged that a more permanent accord be sought which would eliminate any differential between companies for the price paid for jet fuel in Colombia.

The Representative of the Government of Colombia reiterated the desire of eliminating in practice any discrepancy which could affect aviation relations between the two countries and declared his concurrence in a renegotiation of the cited Memorandum of Agreement.

As a result of these discussions, the following was agreed upon:

¹ TIAS 9165; 29 UST 5968.

² TIAS 5338, 6593; 14 UST 432; 19 UST 7501.

A) The competent Colombian authorities will set a reference price of 45.51 cents a gallon for the United States company and 43.94 cents a gallon for operations to the United States undertaken by the Colombian companies, taking into consideration the estimated consumption of jet fuel during 1979 by the Colombian air transport companies (Avianca: 12,300,000 gallons; Aerocondor: 7,300,000 gallons; and others 3,000,000 gallons) and by the United States company (Braniff: 6,500,000 gallons) which have routes between Colombia and the United States. Consumption estimates of the Colombian air transport companies may be adjusted among themselves, so long as the other provisions of this Agreement are not affected.

B) In order to arrive at the reference price, the above-mentioned airlines, with the prior authorization of the Empresa Colombiana de Petroleos (ECOPETROL), will enter into arrangements with their fuel distributors in accordance with the following principles:

1) The Colombian companies will pay a surcharge on consumption of jet fuel in Colombia for flights to the United States.

2) The United States company will make a deposit, or any other equivalent arrangement acceptable to ECOPETROL, in Colombian pesos, for a period of one year, equivalent to the value of the consumption of jet fuel for one quarter. Such deposit shall be made on January 16, 1979. The amount of the deposit will be calculated on the basis of the official exchange rate in existence on January 16, 1979.

C) Any increase in the price in Colombia of international jet fuel occurring during the validity of this Agreement will be applied in such a manner as not to increase the price differential implied in paragraph A, above.

D) The Agreement between the two governments as well as the arrangements made for the supply of jet fuel will enter into effect on January 16, 1979, and will remain valid through January 15, 1980.

E) Either party to this Agreement may request review and modification of this Agreement if it feels there is sufficient motive, including the possibility of accepting under this Agreement another United States airline certified to operate between the United States and Colombia. In such case, the parties will meet within 15 days following receipt of said request. If, after 15 days of discussion, no accord has been reached, either party will have the option of abrogating the Agreement, the Agreement remaining in force until such abrogation. It is further understood that every effort will be made to fulfill the terms of this Agreement and maintain the existing price ratio prior to request for abrogation by either party. This Agreement will cease automatically in the event that prices for international jet fuel in Colombia become equal for Colombian and United States companies involved in this Agreement.

F) The attached computations for consumption, cost, and price shall be made a part of this Agreement.

G) The two Governments agree to meet not less than 45

days prior to the expiration of this Agreement, unless agreed otherwise, to consider extending it for such term and under such conditions as may be agreed.

In witness whereof, this Memorandum of Agreement is executed in the City of Bogota on the 22nd day of February, 1979.

Diego Asencio
Diego C. Asencio
Ambassador Extraordinary
and Plenipotentiary

Diego Uribe Vargas
Diego Uribe Vargas
Minister of Foreign
Relations

SOURCE OF INCOME	APPROXIMATE CONSUMPTION FOR 1979 (1)	ACTUAL COST PER GALLON (2)	TOTAL (2)	ESTIMATED COST PER GALLON (2)	TOTAL (2)	INCREASE (2)	DECREASE (2)	DIFFERENCE (2)
AVIANCA	12,300,000	.4200	5,166,000.00	.4394	5,404,620.00	238,620.00		
AEROCONDOR	7,300,000	.4200	3,066,000.00	.4394	3,207,620.00	141,620.00		
OTHER COLOMBIAN COMPANIES	3,000,000	.4200	1,260,000.00	.4394	1,318,200.00	58,200.00		
BRANIFF	6,500,000	.5500	3,575,000.00	.4551	2,958,150.00		616,850.00	
INTEREST	ANNUAL RATE: 24%			177,489.00	177,489.00			
TOTAL		13,067,000.00		13,066,079.00	13,065,929.00	616,850.00	- 921.00	

NOTE: (1) ALL VOLUMES EXPRESSED IN UNITED STATES GALLONS

(2) A.I.L AMOUNTS EXPRESSED IN UNITED STATES DOLLARS

REPÚBLICA DE COLOMBIA
MINISTERIO DE RELACIONES EXTERIORES

MEMORANDO DE ACUERDO

Durante las conversaciones que tuvieron lugar en el Ministerio de Relaciones Exteriores de Colombia, del 18 al 21 de diciembre de 1.978, entre los representantes de los Gobiernos de los Estados Unidos de América y de Colombia, acompañados por sus respectivos asesores de los sectores público y privado, se deliberó sobre la renovación del Memorando de Acuerdo de fecha 11 de enero de 1.978, relativo al precio del combustible de aviación para las compañías estadounidenses que operan en Colombia, y más específicamente se discutió la situación de Braniff International.

El representante del Gobierno de los Estados Unidos, interpretando los Artículos Séptimo y Octavo del Acuerdo sobre Transporte Aéreo entre el Gobierno de la República de Colombia y el Gobierno de los Estados Unidos de América, firmado el 24 de octubre de 1.956, señaló que el Memorando de Acuerdo de 1.978 ha demostrado ser un arreglo útil, pero instó a que se buscara un acuerdo más permanente que eliminara cualquier diferencial entre compañías respecto al precio pagado por turbocombustible en Colombia.

El representante del Gobierno de Colombia reiteró el deseo de eliminar, en la práctica, cualquier discrepancia que pudiera afectar las relaciones aeronáuticas entre los dos países y manifestó su conformidad con una renegociación del citado Memorando de Acuerdo.

Como resultado de estas deliberaciones, se acordó lo siguiente:

TIAS 9420

A) Las autoridades colombianas competentes fijarán un precio de referencia de 45.51 centavos de dólar por galón para la compañía estadounidense, y de 43.94 centavos de dólar por galón, para operaciones hacia los Estados Unidos que realicen las compañías colombianas, teniendo en cuenta el consumo estimado de turbocombustible para 1.979 de las compañías de transporte aéreo de nacionalidad colombiana (Avianca, 12,300,000 galones; Aerocondor, 7,300,000 galones, y el resto de las compañías, 3,000,000 de galones), y de la compañía de nacionalidad estadounidense (Braniff, 6,500,000 galones) que tienen rutas entre Colombia y los Estados Unidos. Los estimativos de consumo de las compañías colombianas de transporte aéreo podrán ajustarse entre sí, siempre y cuando no se afecten las otras disposiciones de este Acuerdo.

B) A fin de llegar al precio de referencia, las líneas aéreas citadas en el párrafo anterior, previa autorización de la Empresa Colombiana de Petróleos (ECOPETROL), harán los arreglos requeridos con sus proveedores de combustible de acuerdo a los siguientes principios:

1) Las compañías colombianas pagarán un recargo en Colombia sobre el consumo de turbocombustible para vuelos con destino a los Estados Unidos.

2) La compañía estadounidense efectuará un depósito, o cualquier otro arreglo equivalente que sea aceptable a ECOPETROL, en pesos colombianos, por el período de un año, equivalente al valor del consumo de turbocombustible de un trimestre. Dicho depósito se efectuará el 16 de enero de

1.979. El valor del depósito se calculará en base a la tasa de cambio oficial vigente el 16 de enero de 1.979.

C) Cualquier aumento de precio en Colombia del turbocombustible internacional, que ocurra durante la vigencia del presente Acuerdo se aplicará de manera tal que no aumente el diferencial de precios implícito en el párrafo A.

D) El Acuerdo entre los dos gobiernos, al igual que los arreglos para el suministro de turbocombustible, entrarán en vigencia el 16 de enero de 1.979 y serán válidos hasta el 15 de enero de 1.980.

E) Cualquiera de las dos partes que intervienen en este Acuerdo podrá solicitar la revisión y modificación del mismo si cree que existen motivos suficientes para ello, incluyendo la posibilidad de aceptar dentro de este Acuerdo otra compañía aérea autorizada de los Estados Unidos para operar entre Colombia y los Estados Unidos. En tal caso, las partes se reunirán dentro de un término de 15 días a partir del recibo de dicha solicitud. Si después de 15 días de discusión no se hubiere llegado a ningún arreglo, cualquiera de las partes tendrá la opción de dar por terminado el Acuerdo, manteniéndose la vigencia del Acuerdo hasta presentarse tal finalización. Es entendido, además, que se agotarán todos los esfuerzos para cumplir los términos de este Acuerdo y mantener la proporcionalidad en los precios existente antes de que cualquiera de las partes hiciera la solicitud de finalización. Este Acuerdo cesará automáticamente en el caso de que los precios para turbocombustible internacional en Colombia

llegaren a ser iguales para las compañías colombianas y estadounidenses involucradas en este Acuerdo.

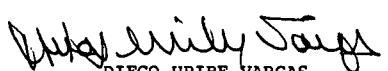
F) Los cálculos efectuados para el consumo, costo y precios que se adjuntan, hacen parte integral del Acuerdo.

G) A menos que se pacte lo contrario, los dos Gobiernos acuerdan reunirse con anterioridad no inferior a 45 días antes del vencimiento de este Acuerdo, con el fin de considerar su prórroga en los términos y condiciones que se convengan.

En fe de lo cual, se suscribe el presente Memorando de Acuerdo, en la ciudad de Bogotá a los veintidos días del mes de febrero de 1.979.

Por el Gobierno de Colombia

Por el Gobierno de los Estados Unidos de América


DIEGO URIBE VARGAS
Ministro de Relaciones Exteriores


DIEGO C. ASENCIO
Embajador Extraordinario y Plenipotenciario

FUENTE DE INGRESO	CONSUMO APROXIMADO PARA 1.979	VALOR ACTUAL GALON (1)	TOTAL (2)	VALOR CALCULADO GALON (2)	TOTAL (2)	AUMENTO (2)	DISMINUCION (2)	DIFERENCIA (2)
AVIACION	12'300.000	.4200	5'166.000.00	.4394	5'404.620.86	238.620.00		
AEROCONDOR	7'300.000	.4200	3'056.000.00	.4394	3'207.620.00	141.620.00		
OTRAS COMPAÑIAS COLOMBIANAS	3'000.000	.4200	1'260.000.00	.4394	1'318.200.00	58.200.00		
BRANIFF	6'500.000	.5500	3'575.000.00	.4551	2'938.150.00	616.850.00		
INTERES	TAZA ANUAL: 24%				177.489.00	177.489.00		
TOTAL			13'067.000.00	13'066.079.00	615.929.00	616.850.00	- 921.00	

NOTA: (1) TODOS LOS VOLUMENES ESTAN EXPRESADOS EN GALONES DE LOS ESTADOS UNIDOS DE AMERICA

(2) TODOS LOS VALORES ESTAN EXPRESADOS EN DOLARES DE LOS ESTADOS UNIDOS DE AMERICA

NEW ZEALAND
Scientific and Technical Cooperation

*Agreement extending the agreement of February 27, 1974.
Effectuated by exchange of notes
Signed at Wellington February 27, 1979;
Entered into force February 27, 1979.*

The American Ambassador to the New Zealand Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 24

Wellington, February 27, 1979

My Dear Minister:

I have the honor to refer to the Agreement for Scientific and Technological Cooperation Between the Government of the United States of America and the Government of New Zealand, signed at Wellington on February 27, 1974.^[1]

I have the honor to inform you that the Government of the United States of America wishes to propose that the Agreement be extended pursuant to Article XIII for another period of five years beginning February 27, 1979.

If the foregoing is acceptable to the Government of New Zealand, I have the honor to propose that this Note together with your reply to that effect shall constitute an Agreement between our Governments effective on February 27, 1979.

Please accept the renewed assurances of my highest consideration.

His Excellency

B. E. Talboys

Minister of Foreign Affairs

Wellington

Armistead I. Selden [2]



¹ TIAS 7806; 25 UST 304.

² Armistead I. Selden, Jr.

*The New Zealand Minister of Foreign Affairs to the American
Ambassador*



*MINISTER OF FOREIGN AFFAIRS
PARLIAMENT HOUSE
WELLINGTON, NEW ZEALAND*

27 February 1979

My dear Ambassador,

I have the honour to refer to your note of today's date which reads as follows:

"I have the honor to refer to the Agreement for Scientific and Technological Cooperation between the Government of the United States of America and the Government of New Zealand, signed at Wellington on February 27, 1974.

I have the honor to inform you that the Government of the United States of America wishes to propose that the Agreement be extended pursuant to Article XIII for another period of five years beginning February 27, 1979.

If the foregoing is acceptable to the Government of New Zealand, I have the honor to propose that this note together with your reply to that effect shall constitute an Agreement between our Governments effective on February 27, 1979".

His Excellency Mr Armistead I. Selden, Jr.
Ambassador of the United States of America,
WELLINGTON

I have the honour to confirm that the proposal contained in your note is acceptable to the Government of New Zealand and that your note and this reply should constitute an agreement between our two Governments further extending the said Agreement for a period of five years beginning February 27, 1979.

Please accept the renewed assurances of my highest consideration.

A handwritten signature in black ink, appearing to read "Brian Talboys". A small superscripted number "[1]" is positioned to the right of the signature.

¹ Brian Talboys.

THAILAND
Rural Primary Health Care

*Agreement signed at Bangkok May 4, 1978;
Entered into force May 4, 1978.*

A.I.D. Project No. 493-0291

A.I.D. Loan No. 493-T-021

PROJECT

LOAN AGREEMENT

Between the

KINGDOM OF THAILAND

and the

UNITED STATES OF AMERICA

for

RURAL PRIMARY HEALTH CARE

Dated: May 4, 1978

TABLE OF CONTENTSRURAL PRIMARY HEALTH CARE LOAN AGREEMENT

	Page	[Pages herein]
Article 1: The Agreement	1	3685
Article 2: The Project	1	3685
SECTION 2.1. Definition of Project	1	3685
Article 3: Financing	2	3686
SECTION 3.1. The Loan	2	3686
SECTION 3.2. Borrower Resources for the Project	3	3687
SECTION 3.3. Project Assistance Completion Date	3	3687
Article 4: Loan Terms	4	3688
SECTION 4.1. Interest	4	3688
SECTION 4.2. Repayment	5	3689
SECTION 4.3. Application, Currency, and Place of Payment	5	3689
SECTION 4.4. Prepayment	5	3689
SECTION 4.5. Renegotiation of Terms	6	3690
SECTION 4.6. Termination on Full Payment	7	3691
Article 5: Conditions Precedent to Disbursement	7	3691
SECTION 5.1. First Disbursement	7	3691
SECTION 5.2. Additional Disbursement	8	3692
SECTION 5.3. Notification	9	3693
SECTION 5.4. Terminal Dates for Conditions Precedent	9	3693

	<u>Page</u>	{ <u>Pages</u> herein}
Article 6: Special Covenants	9	3693
SECTION 6.1. Project Evaluation	9	3693
SECTION 6.2. Supervision	10	3694
SECTION 6.3. Logistics and Supply System	10	3694
SECTION 6.4. Planning, Management and Information System	10	3694
SECTION 6.5. Technical Advisory Services	11	3695
Article 7: Procurement Source	11	3695
SECTION 7.1. Foreign Exchange Costs	11	3695
SECTION 7.2. Local Currency Costs	11	3695
Article 8: Disbursements	12	3696
SECTION 8.1. Disbursement for Foreign Exchange Costs	12	3696
SECTION 8.2. Disbursement for Local Currency Costs	13	3697
SECTION 8.3. Other Forms of Disbursement	13	3697
SECTION 8.4. Rate of Exchange	13	3697
SECTION 8.5. Date of Disbursement	14	3698
Article 9: Miscellaneous	14	3698
SECTION 9.1. Communications	14	3698
SECTION 9.2. Representatives	15	3699
SECTION 9.3. Standard Provisions Annex ^[1]	16	3700

^[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference. [Footnote added by the Department of State.]

A.I.D. Project No. 493-0291

A.I.D. Loan No. 493-T-021

PROJECT LOAN AGREEMENT

Dated: May 4, 1978

Between the Kingdom of Thailand (Borrower), acting through the Ministry of Finance (MOF), and the United States of America, acting through the United States Agency for International Development (U.S.A.I.D.)/Thailand of the Agency for International Development ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1 Definition of Project. The Project, which is further described in Annex 1, is to make primary health

care services more readily available to the rural poor in Thailand, with primary focus on twenty specific provinces, through an expanded rural primary health care delivery system with strengthened and innovative training, management, evaluation and research practices.

Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2 without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1 The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,^[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Five Million Five Hundred Thousand United States ("U.S.") dollars (\$5,500,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal." The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

¹75 Stat. 424; 22 U.S.C. § 2151 note. [Footnote added by the Department of State.]

SECTION 3.2 Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Borrower for the Project, including costs borne on an "in-kind" basis will not be less than the equivalent of Five Million Two Hundred Thirty Thousand United States Dollars (\$5,230,000).

SECTION 3.3 Project Assistance Completion Date.

(a) The Project Assistance Completion Date (PACD), which is May 3, 1982, or such other date as the Parties agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

/

TIAS 9422

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D. giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semi-annually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within thirty (30) years from the date of the first disbursement of the Loan in forty-one (41) approximately equal semi-annual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement of the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Thailand which enables the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place in Thailand at the Borrower's Ministry of Finance.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;
- (b) A statement of the names of the persons designated pursuant to Section 9.2 as additional representatives of the Borrower, together with a specimen signature of each such person and a statement of the extent of his or her authority; and
- (c) Assurances that the technical assistance staff to be funded under the Loan who will be working in the Health

Planning Division of the Ministry of Public Health will be provided with adequate office space, equipment, and transportation facilities to perform their assigned tasks effectively.

(d) Assurances that the research and evaluation specialist and the research assistant of the A.I.D.-funded technical assistance staff will be provided with counterparts from the Borrower who are professionals with appropriate backgrounds and comparable skills.

SECTION 5.2. Additional Disbursement. Prior to disbursement under the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for training costs, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A detailed master training plan setting forth the purpose and scope, a time schedule and curricula for the proposed training and a staffing pattern for trainers.

(b) For trainees other than village health volunteers, village health communicators and child nutrition center attendants, evidence that at the time training for such trainees is to commence, the Borrower has established and made appropriate budgetary allocations on a permanent basis for positions to be staffed by each group of trainees whose training costs are to be financed under the Loan.

SECTION 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 and 5.2 have been met, it will promptly notify the Borrower.

SECTION 5.4. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within ninety (90) days from the date of this Agreement, or if the condition specified in Section 5.2(a) has not been met within one hundred and twenty (120) days from the date of this Agreement, or such later date or dates, as A.I.D. may agree in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing,

the program will include, during the implementation of the Project and at one or more points thereafter, (a) evaluation of progress toward attainment of the objectives of the Project, (b) identification and evaluation of problem areas or constraints which may inhibit such attainment, (c) assessment of how such information may be used to help overcome such problems, in this or other projects, and (d) evaluation, to the degree feasible, of the overall development impact of the Project. Joint evaluations will be conducted by the Borrower and A.I.D. in accordance with the plan set forth as Attachment I-B to Annex I of the Agreement.

SECTION 6.2. Supervision. The Borrower covenants that adequate supervision will be given to all health professionals in the Project, particularly including auxiliary midwives, village health volunteers and village health communicators.

SECTION 6.3. Logistics and Supply System. The Borrower covenants that the existing health logistics and supply system will be expanded at a pace commensurate with the development of health facilities and the assignment of health personnel to the rural areas under the Project.

SECTION 6.4. Planning, Management and Information System. The Borrower covenants that the planning, management and information system being developed and implemented by the Ministry of Public Health in cooperation with the World

Health Organization will be expanded systematically at all levels in the Project's selected provinces as health personnel are trained and posted to those provinces.

SECTION 6.5. Technical Advisory Services. The Parties agree that a contract or contracts will be entered into on a timely basis with individuals or organizations to provide technical advisory services for Borrower's health planning and research program under the Project.

Article 7: Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project

having their source and, except as A.I.D. may otherwise agree in writing, their origin in Thailand ("Local Currency Costs").

Article 8: Disbursements

SECTION 8.1 Disbursement for Foreign Exchange Costs.

(a) After the satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of equipment and advisory services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by requesting A.I.D. to issue Letters of Commitment or other assurance directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be

financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as described in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase.

The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Thailand by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds

may be converted into currency of Thailand at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Thailand.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9: Miscellaneous

SECTION 9.1. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: Ministry of Finance
Royal Grand Palace
Bangkok, Thailand

Cable Address: Minance

Bangkok, Thailand

To A.I.D.:

Mail Address: United States Agency for
International Development
American Embassy
Bangkok, Thailand

Cable Address: USAID
Bangkok, Thailand

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the Office of Minister of Finance and A.I.D. will be represented by the individual holding or acting in the Office of Director, United States Agency for International Development, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Article 2 to revise elements of the amplified description in Annex 1. The names of the individuals designated as additional representatives of the Borrower, with specimen signatures,

will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex II)^[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Kingdom of Thailand 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.

KINGDOM OF THAILAND

UNITED STATES OF AMERICA

BY: Suphat Sutatum
Minister of Finance

BY: Charles S. Whitehouse
Ambassador

¹ See footnote 1, p. 3684. [Footnote added by the Department of State.]

ANNEX 1

RURAL PRIMARY HEALTH CARE PROJECTDetailed Project Description1. Introduction

As indicated in Article 2, the project purpose is to expand and improve the rural health delivery system of the Royal Thai Government Ministry of Public Health (RTG MOPH) in 20 provinces of Thailand through:

- innovative training,
- strengthened research and evaluation capabilities,
and
- more efficient management practices.

The project described here will directly relate to the Accelerated Family Planning and Health project currently being planned by the RTG to construct new, and improve existing, health facilities in 20 rural provinces of Thailand. These provinces have been selected because they have relatively large populations and poor health coverage. (See next page describing provinces).

The project described herein will strengthen the RTG/AFPN project appreciably by improving the existing rural health care system, specifically the manpower capability at district hospitals, second class health centers, midwifery centers and remote villages in those provinces in addition to improving supervisory and management skills.

This section will provide a detailed description of the proposed training, and evaluation-research components. Each of these project elements will be considered in terms of needs, expected outputs and required inputs.

2. Training

Personnel to be trained under this project include:

- nurse practitioners,
- auxiliary midwives,

THAILAND
CHARACTERISTICS OF ACCELERATED FAMILY PLANNING AND HEALTH PROJECTS
(Population Figures as of September 1975)

Region	Province	Total Population	Rural Population ¹		No. of Districts (A)	No. of Sub-Districts (B)	Total of (A and B)	No. of Townships in Provincial Capital Dist. ²	No. of Villages in Provincial Capital Dist. ²	No. of Villages in Provincial Capital Dist. ²	No. of Health Facilities
			No. of Districts (A)	No. of Sub-Districts (B)							
North	Phichit	591,782	417,047	6	1	7	7	71	265	117	99
	Phetchabun	650,163	537,313	7	1	8	8	76	319	122	119
	Nakhon Sawan	965,790	753,316	12	-	12	12	109	1,029	1,029	167
	Phrae	655,216	438,631	8	-	9	9	73	94	94	163
	Kampang Phet	497,240	263,767	4	1	5	5	44	410	410	93
	Lamphun	330,221	192,727	5	-	5	5	42	240	240	73
	Chiang Mai	497,326	356,259	8	1	9	9	70	1,9	206	131
	Sub-Total	(4,231,119)	(3,053,050)	(50)	(5)	(55)	(46)	(19)	(3,814)	(3,814)	(550)
	Buriram	1,010,152	855,026	10	1	11	11	93	112	1,376	146
	Sisaket	955,722	802,108	9	1	10	10	127	1,395	1,395	213
Northeast	Surin	935,133	727,303	9	2	11	11	101	1,390	1,390	197
	Nakhon Ratchasima	702,393	576,459	8	1	9	9	83	1,308	1,308	189
	Roi Et	932,656	639,934	11	1	12	12	128	1,361	1,361	206
	Maha Sarakham	195,199	170,997	7	2	9	61	61	695	695	126
	Khon Kaen	1,021,244	1,020,778	14	3	19	19	129	1,389	1,389	217
	Buri Ram	6,221,656	5,250,475	(68)	(1)	(69)	(62)	(117)	(1,241)	(1,241)	(1,206)
	Sub-Total	(4,231,119)	(3,053,050)	(50)	(5)	(55)	(46)	(117)	(1,241)	(1,241)	(550)
	Mahanakhon Phatthalung	521,860	335,348	6	-	6	6	93	275	275	113
	Prachuap Khiri Khan	703,465	543,687	8	1	9	9	99	655	655	150
	Phetchabun	553,291	470,297	9	2	11	11	63	821	821	125
Central	Ang Thong	425,349	322,305	10	-	10	10	78	1,133	1,133	121
	Sub-Total	(2,189,635)	(1,671,557)	(33)	(3)	(36)	(36)	(72)	(2,713)	(2,713)	(612)
	Samut Sakhon	599,326	599,326	10	-	10	10	116	177	177	201
	Nakhon Si Thammarat	1,193,653	963,452	13	1	16	16	133	1,012	1,012	245
	Sub-Total	(1,594,184)	(1,561,406)	(23)	(1)	(24)	(24)	(247)	(1,969)	(1,969)	(444)
	Thailand	36,896,492	31,358,362	176	23	199	1,931	(22)	17,644	(3,029)	3,029
	Sub-Total	36,896,492	31,358,362	176	23	199	1,931	(22)	17,644	(3,029)	3,029

¹ Excluding population in provincial capitals.

² Excluding Bangkok as a Province.

Source: World Bank: Appraisal of a Population Project, August, 1977.

- health assistants,
- supervisory personnel,
- village volunteers, and
- health communicators

Included in this project are a variety of short term training activities which will upgrade the skills of new and existing MOPH staff and volunteers in the provision of primary health care basic services in rural areas.

The concept of short term training, as used in this paper, refers to training courses or seminars ranging in length from a week or less to several months. It encompasses in-service training for upgrading the skills of paramedics and includes short basic or pre-service training for junior auxiliaries. It does not include basic training for those personnel which requires several years to complete.

This project concentrates heavily on financing training of health service providers and those personnel responsible for their support as follows:

a. Nurse Practitioners

(1) Need

The provision of health services to the Thai population, especially those living in the rural areas, is a grave problem faced by RTG. One of the most important obstacles to providing increased coverage to the rural population is the lack of appropriately trained personnel. There is a serious shortage of doctors, with most of them heavily concentrated in towns and cities. Approximately 70% of Thailand's doctors live in Bangkok.

Because of their heavy work-load, doctors in the rural areas cannot spend enough time to examine and diagnose patients properly. Thus, the quality of medical services provided to the rural population is far inferior to that provided to the population of major urban areas such as Bangkok.

Even with the projected rate of increase in the number of new doctors graduating from Thailand's medical schools (an increase from 385 to 500 doctors yearly), there will not be enough doctors to staff the rural health delivery system for some time. Also it is not realistic to imagine that high numbers of physicians will elect to serve in rural areas.

TIAS 9422

At the present time, approximately 130 district hospitals do not have a single doctor on their staff. To compensate for this shortage the MOPH has taken steps to delegate some of the functions commonly performed by doctors to a new category of personnel -- experienced nurses who will be trained and upgraded to become "nurse practitioners".

The new group will provide substantial medical care in the public health program at provincial and district hospitals. They will also supervise the overall public health and medical care activities of auxiliary staff in rural health facilities (e.g. health centers and midwifery centers). In the long run, the MOPH plans to staff all district hospitals with these nurse practitioners.

(2) Output

Institutional training in public health and medical care will be provided by the School of Public Health, Mahidol University. Nurses already trained in public health will receive a concentrated ten week course in medical care. Nurses with no background in public health will receive a 28 week course including both public health and medical care. Fourteen weeks of field training will be given to both groups by the MOPH. Two classes of 150 students each will start training in May of 1978, 1979 and 1980

These nurse practitioners will be taught the skills needed to:

- identify health problems,
- make differential diagnoses,
- handle emergencies and minor surgical procedures,
- treat minor illnesses,
- manage abnormal deliveries and perform episiotomies,
- carry out MCH and Family Planning services (including IUD insertions),
- participate in the administration of services in a district hospital or health center, and

- supervise district hospitals where no physicians are present.

To help ensure that sufficient numbers of nurse practitioners will be available to rural health services throughout the country, this project will support the training of 900 nurse practitioners -- 700 at the National level and 200 for AFPH provinces. Priority will be given to the preparation of nurse practitioners for the 20 AFPH provinces in district hospitals having no physicians.

(3) Input

This project will provide US\$ 540,000 for field training of nurse practitioners. These costs include travel, per diem, training materials, and medical kits.

b. Auxiliary Midwives

(1) Need

The Government's Fourth National Economic and Social Development Plan emphasizes the provision of preventive, promotive, curative and rehabilitative health services in an integrated fashion for the whole country. The focus of the program is on expanded coverage and improved quality of service for the severely underserved rural areas. The number of health centers and midwifery clinics will be increased and their functions changed. Health services will be integrated so that medical care and treatment will be provided to the rural population in conjunction with preventive measures.

A practical nurse/midwife will be added to the staff of each new or upgraded health center, thus releasing the auxiliary midwives and junior sanitarians at these centers to undertake more field work. This will also enable the centers to remain open for longer hours.

A serious barrier to greater utilization of health centers and midwifery clinics has been the inability of the paramedicals staffing these facilities to offer the kinds of curative services sought by the public. The majority of the staff in rural areas are auxiliary midwives, practical nurse/midwives, sanitarians and practical nurses. They have been trained in sanitation, MCH/FP, environmental health, control of communicable diseases, and health education.

The MOPH has now increased the responsibilities of the auxiliary midwives to include the provision of medical care to the rural people. Essentially they will be providing limited curative services as physician extenders. Therefore, it is imperative that this category of health personnel have the necessary knowledge and ability to effectively deliver curative services and to perform their added duties within the scope of the responsibilities specified by the MOPH.

The new functions of the auxiliary midwives will include:

- minor surgical procedures and treatment of accidents,
- curative services for many common diseases,
- simple laboratory services (e.g. urinalyses to detect albumin and glucose; stool examinations for parasite ova; and blood tests to measure hemoglobin and to detect malaria parasites),
- identification of more serious conditions, emergency assistance and referral to a physician,
- collection, compilation and reporting of statistical data, and
- training, supervision and support of primary health care workers, village health volunteers and communicators.

(2) Output

A four month course in curative care has been developed to be given to all auxiliary midwives assigned to health and midwifery centers in the 20 AFPH provinces. Priority will be given to auxiliary midwives since they already play a more important role than junior sanitarians (the other major auxiliary worker staffing rural health facilities) in providing medical care.

In addition, auxiliary midwives have a crucial role in the delivery of family planning services. Improving their skill in medical care will increase public

acceptance of their advice and help in this and other areas of basic health. (As soon as auxiliary midwives are permitted to insert IUDs and provide injectables (DMFA), training will be initiated under the United Nations Fund for Population Activities (UNFPA) funded Family Planning grant. Priority will be given to midwives who have already completed the 4 months curative care training course.)

The training program in curative care will consist of one month's theoretical content and 3 months of practical training. Fourteen training institutions will participate in the program -- 3 MCH centers, 7 Nursing Colleges and 4 Practical Nursing Schools, each of which will provide the same curriculum.

The detailed curriculum for the auxiliary midwives' training is being prepared by the MOPH in consultation with the staff of the Lampang Project. This approach will make use of that project's experience in training and deploying auxiliaries with special training in medical care. Practical training will take place in provincial and district hospitals.

A two month curriculum (theoretical and practical) has been developed for the training of the personnel who will be responsible for the instruction of the auxiliary midwives. This training will include a review of basic medical and surgical knowledge and procedures and a study of teaching methodologies, as well as the preparation needed to provide the auxiliary midwives with the necessary skills for their new medical duties. 220 persons are scheduled to take this course.

In addition, approximately 500 physicians, nurses and nurse practitioners will be oriented to the expanded role of these auxiliary midwives during a series of one week seminars. These are personnel from the provincial and district hospitals and MCH centers in the 20 AFPH provinces who will be involved with the auxiliary midwives while they are doing their field training and, later, when they are assigned to their stations.

Over the 3 years of the project, 2,250 auxiliary midwives will undergo training in 90 groups of 25 trainees each.

AUXILIARY MIDWIFE TRAINING SCHEDULE

Training Facility	1978	1979	1980	1981*	Total
<u>3 MCH Centers</u>					
Trainees Groups	75 (3)	225 (9)	225 (9)	75 (3)	600 (24)
<u>7 Nursing Colleges</u>					
Trainees Groups	175 (7)	350 (24)	350 (14)	175 (7)	1050 (42)
<u>4 Practical Nursing Schools</u>					
Trainees Groups	100 (4)	200 (8)	200 (8)	100 (4)	600 (24)
Total Trainees	350	775	775	350	2250
Total Groups	(14)	(31)	(31)	(14)	(90)

* Project length is three fiscal years, therefore the final groups of trainees will complete training in early 1981.

(3) Input

This project will provide US\$ 2,297,000 for the training of auxiliary midwives. These costs include travel, per diem, training materials and medical kits for the trainees. Also included are the institutional costs for conducting the training programs and costs of training instructors.

c. Health Assistants

(1) Need

(a) Midwifery Centers

Currently each of the midwifery centers in the country are staffed with one person, an auxiliary midwife, who finds it difficult to simultaneously provide adequate clinical services at the center and extension services in the community. To ease the burden on midwives until their centers are upgraded to health centers (with one or two additional auxiliaries), health assistants will be temporarily assigned to the midwifery centers. The health assistants will be trained to perform routine tasks at the center and in the field. This will free the midwife for more technical tasks and for additional field responsibilities.

Specifically the duties of the health assistants will include:

- the preparation of clinical equipment, vaccination kits, and medical supplies;
- home visits to follow MCH patients and family planning acceptors;
- periodic contacts with village health volunteers to ensure that they are receiving adequate supplies of drugs and contraceptives;
- provision of first aid services when the auxiliary midwife is not available at the center;
- issuance of contraceptives to revisit clients;
- assistance with record keeping and routine reporting; and
- maintaining the midwifery center.

This class of junior paramedics will be recruited locally. Recruitment will be from among unmarried women, aged 18-25, with a grade 10 education or higher, and who are otherwise eligible for basic training as auxiliary midwives or practical nurse/midwives. As they prove their

capability, these health assistants will eventually be upgraded to auxiliary midwives or practical nurse/midwives through additional training.

(b) MCH/Family Planning

Health assistants will also be prepared for nationwide deployment in provincial and district hospitals, provincial health offices where family planning services are offered, and MCH centers. The vast majority (about 90%) will be assigned to district hospitals (one each) and provincial hospitals (two each). The other 10% will be posted to provincial health offices with family planning clinics, and to the MCH centers.

These health assistants will:

- participate in the setting up and operation of Family Planning clinics;
- supply condoms and oral contraceptives;
- carry out face-to-face IEC activities in clinics and maternity wards;
- maintain family planning records and visit drop-outs.

Recruitment for the health assistants will be from among 20-40 year old women who are natives of the district with a grade 10 education or higher, and with a pre-existing interest in family planning and an ability to get along well with other people.

(2) Output

(a) Health Assistants for Midwifery Centers

A total of 750 health assistants for midwifery centers will be trained within the 20 AFPH provinces. This will provide a second person to staff each of the 735 midwifery centers that will be functioning by the end of the project period.

Training will last 6 weeks, of which 2 weeks will be devoted to classroom training at 2 of the MCH centers, and 4 weeks of practical training. Heavy emphasis

will be placed on MCH and family planning, with the following subjects also covered: nutrition, first aid, communicable disease control, minor treatments, use of basic drugs, record-keeping, health education, environmental sanitation and Thailand's rural health system.

Clinical training will take place in smaller groups or individually in various hospitals and rural health facilities.

Ten groups of 25 health assistants will be trained each year (i.e., 250) for 3 years.

(b) Health Assistants for MCH/FP

Health assistants for Maternal and Child Health/Family Planning will receive 2 weeks of classroom training and two weeks of practical training. Classroom training will be at the MCH center and will include training in:

- FP program and policies;
- population problems;
- human reproduction;
- specific contraceptive methods;
- history taking;
- setting up a clinic;
- sterilization of instruments;
- basic MCH;
- IEC (especially face-to-face communication);
- use of simple audio-visual aids;
- record-keeping procedures;
- referral system; and
- role of other health workers.

Practical training will be on a one-to-one basis, typically under the tutelage of a nurse in the hospital to which the health assistant will be assigned.

The project will support the training of 450 health assistants for MCH/Family Planning. Priority in training will be given to the 181 who will be assigned to the 20 AFPH provinces.

Categories	78	79	80	Total
Health Assistants Six Week Course (Primarily for Midwifery Centers)	100	450	200	750
Health Assistants Four Week Course (Primarily MCH/FP)	80	420	--	500
Total	180	920	200	1,250

(3) Input

This project will provide approximately US\$ 243,000 for the training of health assistants. These costs include primarily travel, per diem and training material costs for the trainees, and travel and per diem for the instructors.

d. Child Nutrition Center Attendants

(1) Need

Child Nutrition Centers were started in 1968 as a means of reaching pre-school children in the rural areas. They are an adjunct to some of the rural health centers and provide day care services and supplementary feeding for children. Currently there are 620 centers in the country, 166 of them in the 20 AFPH provinces.

An average of 30 children are enrolled in each Child Nutrition Center. The 3 Ministries offering day care services (Public Health, Education, and Interior) have agreed to a standardized program of activities and in cooperation with the Ministry of Agriculture, the Centers provide supplemental protein foods for the children.

These Centers do not limit their activities to the feeding program but include such health related activities as immunizations, periodic physical examinations for the children, and the improvement of environmental factors which influence the children's health. An important aspect of the Child Nutrition Centers is the participation of the mothers in the normal functioning of the centers. Mothers take turns attending the centers, assisting in the preparation of meals, and helping in recreational activities. This first hand experience provides the mothers with practical information about foods and feeding practices. Normal daily activities include reading, group play and games as well as rest periods.

The auxiliary midwife responsible for the management of the center frequently arranges cooking demonstrations and education in nutrition, home food production and family planning for the mothers. Health center attendance appears to increase after a Child Nutrition Center has been added, probably because the Center not only meets a clear need, but also serves to link the community closer to the health center. These Child Nutrition Centers help increase community understanding and acceptance of rural health services by providing a focal point for community participation and education.

When a community decides to construct a Child Nutrition Center, the MOPH supplies the building materials and equipment and the community provides the labor for construction. This helps to ensure that these Centers are built only where they are wanted and needed. Local interest and participation in the future will be enlisted by village health volunteers and health communicators, with the help of the Tambon health staff.

When a community decides to build a center, one or two local women (depending upon the number of children expected) are selected to be attendants by the midwife and the village committee. These women are sent

to the provincial capital for two weeks training. They receive a modest stipend from the Government which is supplemented by fees collected from parents.

(2) Output

The project will train up to 180 child nutrition attendants. This training must be conducted on an ad hoc basis, since there will only be about 3 trainee per province per year.

(3) Input

The total costs for the training of nutrition center attendants will be US\$ 9,000.

e. Health Volunteers and Health Communicators

(1) Need

The quality and supply of various categories of health manpower have generally failed to keep pace with the demand for services. At the present time, the great majority of Thailand's 46,000 villages have little or no access to modern health care. Even where government health facilities exist in some rural areas, only about 15% of the people who are sick use them. Most of the people buy medicine from the drug store and treat themselves, receive treatment from private clinics, or use traditional healers and Buddhist monks.

Besides the geographical distance from the government health facilities, another reason for under-utilization of these services is the perceived social distance between the government health worker and the rural villager. This prevents the patient and the physician or health worker from relating in a constructive manner. Consequently, the health professional is likely to have inadequate information both for diagnosis and treatment and the patient is limited in the care he/she can receive and utilize. In addition, because of these communication problems between government officials and the villagers the diffusion of public health information is quite restricted.

One of the strategies devised by the Fourth Five-Year Plan to counter this communication problem is a reorientation of service delivery away from physicians

and nurses toward the use of primary health care workers such as village health volunteers and communicators.

Over the past few years, a variety of health projects in Thailand have made use of different kinds of volunteers. Experience in these projects has shown that in a relatively short period of time, the volunteers became known and accepted as a source of health advice or services. For instance, after the first year of the Lampang Project, nearly 70% of the people in the project area were familiar with the volunteers, and about 55% of these had received advice from the communicators. Nearly all of these persons had followed this advice or intended to do so. About 30% of those who were familiar with the volunteers had turned to them for help during illnesses.

Because of experiences such as these, the RTG decided to launch a nationwide Primary Health Care Program based upon a corps of health volunteers and health communicators at the village level. This cadre of workers will provide essential health services and will also encourage public participation or self-help community services through village community organizations. Primary health care will thus be a health system developed and executed by the rural people with the support of the Government's organized health infrastructure.

The MOPH Health Training Division has been assigned special responsibility for developing the training of these primary health care workers. The training scheme consists of several stages. The first involves:

- training of the trainers in the essentials of the program, with considerable emphasis on training techniques;
- the establishment of new programs in the provincial and district hospitals and health centers throughout the country to prepare for the training of village health volunteers and health communicators; and
- the revision of curricula for nurses, midwives and sanitarians to include training in teaching medical care.

The second phase is the training of the staff of tambon health facilities - the auxiliary midwives and the junior sanitarians - for their role as trainers and technical supervisors of the village health volunteers and village communicators in their tambon. In actual fact, however, it is proposed that all echelons of health service personnel will participate in the training, guidance and motivation of the village volunteers and communicators.

The program calls for each auxiliary midwife and each junior sanitarian to be responsible for organizing the village health volunteer/health communicator program in one village (muban) per year. This entails establishing a special village committee or working with an existing committee. Primary health care will strongly rely on existing organizations set up in the villages. Community resources will be used to approach and solve health problems of the villagers, mainly through the network of village health volunteers and health communicators. Traditional practices and medicines will be included when relevant, and the Buddhist temple (Wat) and the monks will be involved also.

Communicators will be identified and recruited through socio-metric procedures** and interviews in the village by health center or midwifery staff. Existing traditional health care providers will be eligible and may very likely form the nucleus for these primary health care providers.*

When the health communicators have agreed to serve, the village health committee will select a village health volunteer, who may or may not be one of the communicators. The health communicators will work together with the village health volunteer as a team. They will also hold occasional meetings with the health center staff and/or the village committee.

The village health volunteers will receive 90 hours (6 hours x 15 days) of training, with arrangements to be worked out on an ad hoc basis between the volunteer and his/her trainer. After this initial training, on-going, relevant instruction will continue for 2 years.

* Traditional healers, primarily the traditional birth attendants, are trained through the USAID/T-supported Population Planning Project (#493-0283)

** A system devised to identify informal group leaders.

**Responsibilities of the village health
volunteer will include:**

- Provision of minor health care, simple diagnosis of such illnesses as the common cold, malaria and parasitic infections, and dispensing of government basic pharmaceutical products. The village health volunteers will initially be issued approximately US\$ 25.00 worth of drugs. They will sell these to the villagers at a price fixed by the MOPH. This will allow the volunteer a slight profit and will maintain a revolving fund for re-ordering of supplies.
- Supplying condoms, and oral contraceptives to women who have been screened for contraindications by qualified paramedicals.
- Working closely with local health center staff to organize local IEC events.
- Basic health education including MCH, FP, nutrition, communicable diseases, use of family planning and other health services.
- Assisting in vector control, especially the malaria vector, and prevention of endemic diseases (e.g. hookworm).
- Referring patients with more serious health problems to the nearest appropriate health facility.
- Serving as a member of the group of 10 health communicators in his/her village; and
- Acting as the liaison between government officials and the people.

The village health communicators will initially receive 30 hours (6 hours x 5 days) of instruction. This instruction will be an abbreviated version of the training given to the village health volunteer. Subsequently, the VSC will also continue to receive on the job training.

The village health communicator's role will be almost entirely in the IEC area. They will informally advise their neighbors and relatives about MCH, FP, Nutrition, important communicable diseases, sanitation, and other basic health topics. They will promote participation in local IEC events such as film showings, and in mass immunization programs. The village health communicators also encourage people to make use of the health services available in their area, and will work in close collaboration with the village health volunteers.

(2) Output

The RTG's ultimate aim is to have one village health volunteer and 10 health communicators available in each village that has no health or midwifery center. With an average of 9-10 villages (mubans) per tambon, each tambon could eventually have about 8 village health volunteers and 80 health communicators.

The national scheme calls for about half of the volunteers to be recruited and trained by the end of the five-year plan period in 1981. In the 20 AFPH provinces, however, recruitment will be accelerated. Thus, by the end of the project period, over half of the villages without health or midwifery centers will be covered, (i.e., there will be about 7,900 village health volunteers and 79,000 health communicators in the 20 AFPH provinces).

(3) Input

This project will provide US\$1,130,000 for the training of sub-district staff, village health volunteers and communicators. These costs include primarily costs for training materials and equipment. Each trainee will be given a manual and a first aid kit.

The phasing of training for these personnel is as follows:

Category	1978	1979	1980	Total
Village Volunteers	1992	2900	3000	7892
Communicators	20655	29000	30000	79655
Total	22,157	31,900	33,000	87,547

f. Supervisory and Management Personnel

(1) Need

As discussed in previous sections, the RTG/MOPH will be implementing its Primary Health Care Program in twenty selected provinces. A key element of the PHCP is the use of village volunteers and communicators. Although the proposed project is conceptually uncomplicated, the implementation aspects of this project present management and logistical problems of enormous magnitude. Indeed, the success (or failure) of this project, will be due to a large degree on the management and supervisory skills of MOPH staff, particularly at the provincial, district and sub-district level.

Most of the responsibility for implementing this new project will be placed upon the auxiliary midwife and sanitarian at the sub-district (tambon) health center. These persons will be supervised by the district health facility staff, either a senior sanitarian, a nurse or midwife. The district staff will be supervised by the provincial health office staff of senior sanitarians, nurses and midwives. The overall management structure represents a typical organizational pyramid.

Because of the increased supervisory responsibilities at the district level, a new post of Deputy District Health Officer has been created. This person will be an experienced junior sanitarian or auxiliary midwife who will be promoted, most likely from one of the sub-district health centers in the 20 AFPH project provinces. This person will assume major responsibilities for management aspects of the health volunteer/communicator program in each district.

(2) Output

The RTG/MOPH has recognized the importance of the management aspects of this project and has developed several training programs to upgrade the management and supervisory skills of the provincial and district level health staff. More than 700 provincial and district health supervisory staff in the 20 project provinces will be given management training in courses which range from five days to four weeks in length.

The following table indicates which provincial and district level staff will receive management training:

<u>Title</u>	<u>Number</u>	<u>Course Duration</u>	<u>Training Frequency</u>
1. Provincial Chief Medical Officer	20	7 days	2 **
2. Director Technical Health Services	20	7 days	2 **
3. Director Provincial Hospital ..	23	7 days	1
4. Chief Planning Section	20	5 days	2 **
5. Chief Training, Education, Health Promotion.....	40	5 days	1
6. Director District Hospital.....	103	5 days	1
7. District Health Officer.....	199	5 days	1
8. Assistant District Health Officer <u>1/</u> *.....	199	4 weeks	1
9. Chief, Promotion Section, District Hospital	103	7 days	1
10. Provincial Supervisors *	20	4 weeks	1

1/ Newly created position

* Trained by Health Training Division. All others will be trained by the Health Planning Division.

** These persons will receive training twice, once during the first project year and once during the second.

Training plans, including curricula, have already been developed in anticipation of this project. The overall objective of these management courses will be to ensure that key senior and middle level health and hospital administrators develop the skills necessary to manage this project and other aspects of the provincial health care program. Training topic areas will include health planning, public health administration and hospital management within the context of the newly formed primary health care program. Much of this training will be conducted at the four regional health training centers.

(3) Input

This project will provide US\$ 90,000 to finance the training costs for this program component. Costs include trainee travel and per diem, costs for training materials and institutional costs.

3. Research and Evaluation

(a) Need

The RTG's Fourth Five Year Plan has identified improved health planning and management as one of the nation's five goals in the health sector. One aspect of this Rural Primary Health Care Expansion Project will seek to support the MOPH's efforts in this area.

In 1970, WHO initiated a Planning, Management and Information System (PMIS) Project. The purpose of this effort was to improve the MOPH's capability in national health planning and administration. Expenditures on this project, which ended in 1976, were over US\$ 520,000.

As a result of the WHO PMIS project, a number of important accomplishments were achieved, including:

- an increased awareness within the RTG's MOPH of the need for, and usefulness of, sound program planning and management.
- the development of annual operating plans for each of the country's 72 provinces.
- the establishment of a Central Information Center and approximately 20 Provincial Information Centers.* Information Centers for the remaining provinces are being established.
- the development of two information subsystems which are currently being field tested.
- the development of an analytic and evaluation capability within the MOPH to improve implementation of a national health planning process.

* Not all are congruent with the 20 AFPH provinces.

At present, the PMIS system is under the direction of the Central Information Center of the Planning and Evaluation Unit in the MOPH. There are, however, several units within the MOPH which also have responsibility for planning, management and monitoring of health care services and delivery. For example, the Family Health Division supervises and evaluates the delivery of FP services throughout the country. Also, the Malaria Eradication Division of the Department of Communicable Disease Control is involved in planning and implementation activities in malaria control.

The RTG recognizes that its emphasis on the development of an effective primary health care program, and its efforts to improve the delivery of health services to rural areas will require continuous planning, monitoring and evaluation. It is for this reason that the RTG has included improved health research and evaluation as elements of its goal of improved health planning and management.

The responsibility for supervising and coordinating the planning, research, and evaluation efforts within the MOPH will be in the Health Planning Division. This is part of the Office of the Deputy-Under-Secretary of State for Planning and Evaluation. This Division, established in 1973, will have responsibility for:

- coordinating all planning, research and evaluation activities within the MOPH
- planning, designing and implementing operational and evaluation studies
- development of management training programs to ensure that study results and operational improvements are transmitted to the proper supervisory health personnel.

Thus, the RTG clearly understands the need for dynamic planning and evaluation within its health delivery system. It is entrusting the implementation of these efforts to a unit within the MOPH that has already been established and is functioning. The fact that the RTG is willing to use loan funds for this activity further underscores its interest and commitment.

Beyond this, the RTG appreciates the special needs of the AFPH project for research and evaluation. It will, therefore, set up a special unit within the HPD that will be responsible for coordinating all research and evaluation efforts of other systems (e.g. PMIS, NFPP) with those of the AFPH project.

In this context, the MOPH will undertake a number of surveys and studies that will evaluate the progress, performance, acceptance and effectiveness of its health programs. Particular emphasis will be given to the AFPH project and the delivery of services to the rural poor. As a result of these studies and surveys, the MOPH will be able to make necessary adjustment to its project efforts -- to correct inadequacies and improve deficiencies.

Given this concern that there be strong coordination of planning, management and evaluation activities throughout the MOPH, particularly as they relate to the RTG/AFPH project, this project will support the strengthening of the evaluation and research unit within the HPD that will be monitoring the RTG/AFPH project.

(b) Outputs

As noted above, the research and evaluation unit within the Health Planning Division (HPD) will concentrate its efforts in two key areas:

- coordination of all planning, research and evaluation activities within the MOPH, as they relate to the AFPH project.
- operational and evaluation studies.

The HPD will strengthen its coordinating capability with existing data systems (NFPP, PMIS), at the same time that it will seek to improve planning and monitoring activities for the 20 AFPH provinces.

At present, the HPD has identified three studies related to the AFPH project which it plans to implement in 1978:

- An operational assessment of health facilities and manpower in the 20 provinces involved in the AFPH project.

- An evaluation of the training of the village health volunteers and the village health communicators. This study will seek to assess such factors as the relevance of training materials, the adequacy of training methods, and the optimum length of the training period.
- An evaluation of the training of trainers for the village health volunteers and health communicators.

In 1979, the MOPH is planning to implement the following:

- A repeat of the previous year's operational assessment of health facilities and manpower
- The initiation of patient survey studies based on household interviews
- Operational studies of the performance of nurse practitioners, auxiliary midwives and health assistants
- Evaluation studies of village health volunteers and village health communicators

For 1980, the HPD will repeat the operational study of health facilities and manpower. At present, plans for the remainder of the research and evaluation program for 1980 have not been completed.

(c) Inputs

This project will provide US\$ 846,000 to support the planning, research and evaluation activities of the Rural Primary Health Care Expansion Project. These funds will assist the MOPH to strengthen the coordinating and monitoring functions of the evaluation and research unit within the HPD particularly as it relates to the RTG/AFPN project. Project assistance will include:

- One full time health care planning research and evaluation specialist over a three year period. This professional will be assigned to the MOPH Division of Health Planning and will assist in the planning, design and implementation of training, operational research, and evaluation studies of the Primary Health Care Program.
- One full time research assistant and a local hire secretary, who will work with the full time health care planning, research and evaluation specialist in the HPD.
- Short term technical consultants with expertise in special areas of planning and evaluation (e.g. health manpower evaluation, household survey techniques, facilities utilization survey methods).
- Equipment and supplies for operational and evaluation studies in the 20 AFPH provinces.

Annex 1
Attachment 1-A

Rural Primary Health Care
Project Financial Plan
(\$millions)

Project Inputs	AID Loan	RTG	Total
As of _____, 1978			
Technical Assistance			
a) Long-term Contract	240	-	240
b) Short-term Consultants	90	-	90
Training			
a) Nurse Practitioners *	540	-	540
b) Auxiliary Midwives *	2,297	-	2,297
c) Prov. & Dist. Supervisors	90	-	90
d) Health Assistants	243	-	243
e) VH Volunteers *	498	-	498
f) VH Communicators	632	-	632
g) CNC Attendants	9	-	9
Research & Evaluation	516	-	516
Salaries and Allowances	-	5,230	5,230
Contingency	50	-	50
Inflation	295	-	295
	5,500	5,230	10,730

* Includes Commodity 40} Costs of \$553,710 for Medical Kits (NP's 900 x \$25; MW 2,250 x \$175;
VHV 7,900 x \$17 }

Annex 1
Attachment 1-BJoint RTG/USAID Evaluations

Together with the RTG, USAID will evaluate project effectiveness and efficiency. This is a key aspect of the overall evaluation strategy. It is consistent with the RTG's responsibility for designing and implementing improvements in its own health infrastructure.

The joint RTG/USAID evaluations will be conducted by a team composed of :

- RTG representatives from the MOPH and other related Ministries.
- USAID/T health staff
- USAID/W health staff
- U.S. non-government experts in rural health development.

It is expected that two such joint evaluations will be conducted. The first (interim evaluation) will take place by the 18th month of the project, and the second (final evaluation) upon the termination of the project.

The evaluation of project effectiveness and efficiency will be related to the specific goals and objectives of the project. In addition, certain evaluation indicators will be utilized. These indicators will be related to the two major elements of the program -- training and research/evaluation.

Evaluation indicators will involve such factors as:

- appropriateness of new skills that are imparted to the health personnel
- acceptance of the health personnel by the community in which they work

- attitude of patients to the health personnel
- integration of the health personnel into the existing health infrastructure
- attitudes of the new health personnel to their profession, as well as analysis of retention/drop-out rates
- involvement of the health personnel, especially those assigned to the village level facilities, in health related promotive, educational and preventive activities
- ability of the RTG to provide logistical support to the newly trained health personnel
- ability of the RTG to expand its data system into the 20 AFPH provinces utilizing the newly trained personnel
- quality and quantity of research and evaluation studies performed by the Health Planning Division.

**MULTILATERAL
Global Weather Experiment**

*Agreement signed at Geneva April 25, 1979;
Entered into force April 25, 1979.
With protocol of execution and exchange of notes.*

ACUERDO SOBRE EL EXPERIMENTO DE INVESTIGACION
GLOBAL DE LA ATMOSFERA
ENTRE
LA ORGANIZACION METEOROLOGICA MUNDIAL
Y
EL GOBIERNO DE MEXICO^[1]

CONSIDERANDO que la Organización Meteorológica Mundial está planeando un experimento científico relativo a los procesos meteorológicos y oceanográficos, a escala mundial, dentro del marco del Programa de Investigación Global de la Atmósfera (GARP) de la Organización y del Consejo Internacional de Uniones Científicas;

CONSIDERANDO que México está situado en la proximidad de zonas en las cuales dentro del Experimento se efectuarán operaciones especiales con aeronaves y que dispone de las instalaciones apropiadas, se ha recomendado, por consiguiente, que se establezca en Acapulco un Centro de operaciones de aeronaves del Experimento;

CONSIDERANDO que el Gobierno de México ha visto con interés esta recomendación;

EN CONSECUENCIA, ahora, se celebra el Acuerdo siguiente, como base para la cooperación entre la Organización Meteorológica Mundial y el Gobierno de México.

Sección 1 - Nombre del Experimento

El Experimento será conocido como el Experimento de Investigación Global de la Atmósfera, llamado en adelante "el Experimento".

Sección 2 - Finalidad del Experimento

Obtener una comprensión mejor del movimiento de la atmósfera para desarrollar modelos más realistas para la predicción meteorológica.

^[1] For the English language translation, see pp. 3744-3755.

Evaluar el límite definitivo de la predictibilidad de los sistemas meteorológicos.

Diseñar un sistema de observación meteorológica compuesto de varias partes para la predicción meteorológica de rutina de las características de mayor escala de la circulación general de la atmósfera.

Investigar, dentro de la limitación del período de observación comprendido en este Acuerdo, los mecanismos físicos que influyen en las fluctuaciones del clima en un margen de unas cuantas semanas a unos cuantos años, y desarrollar y probar los modelos climáticos apropiados.

Para lograr los objetivos antes mencionados, un paquete con instrumentos se lanzará en paracaidas desde una aeronave, los que medirán los vientos y los perfiles de temperatura y de humedad en aguas tropicales del Océano Pacífico. Tales datos serán puestos a la disposición de todos los Estados Miembros de la OMM según se indica en la Serie de Publicaciones de la OMM sobre el FGGE: Informe Nº 3 del FGGE - Plan para el Manejo de los Datos del FGGE.

Sección 3 - Ejecución del Experimento

El Experimento será ejecutado por los organismos cooperadores nacionales designados por los Estados Miembros de la Organización Meteorológica Mundial que figuran en la Serie de Publicaciones del FGGE de la OMM, Plan de Implementación y Operación para Sistemas de Observaciones Especiales del FGGE: Parte B: Sistema de Lanzamiento de Sondas en cooperación con la Organización Meteorológica Mundial llamada en adelante "la Organización". Los Estados Miembros de la Organización distintos de México que participen en el Experimento serán llamados en adelante "otros Estados Miembros participantes".

Dentro del marco del presente Acuerdo, la Organización auspiciará la realización del Experimento. La Organización no aceptará ni endosará ninguna responsabilidad financiera que pueda resultar directa o indirectamente de la realización del Experimento. Dicha responsabilidad estará a cargo de los Estados Miembros participantes.

Sección 4 - Duración del Experimento en lo que respecta a las operaciones de las aeronaves

Las operaciones de las aeronaves se realizarán durante el Período de Observaciones Intensivas que está programado para que tenga lugar del 10 de mayo de 1979 al 8 de junio de 1979.

Sección 5 - Organismos cooperadores

Los organismos cooperadores designados dentro del presente Acuerdo, serán los siguientes:

a) Por la Organización Meteorológica Mundial: la Secretaría de la Organización.

b) Por México:

la Secretaría de Relaciones Exteriores,
la Secretaría de la Defensa Nacional,
la Secretaría de Hacienda y Crédito Público,
la Secretaría de Agricultura y Recursos Hídricos,
la Secretaría de Comunicaciones y Transportes y Aeropuertos
y Servicios Auxiliares.

c) Por los otros Estados Miembros participantes:

Los organismos nacionales que los Estados Miembros designen de acuerdo con la Sección 16 siguiente.

Sección 6 - Privilegios e inmunidades

El Gobierno de México concede al personal participante en el Experimento los privilegios e inmunidades de acuerdo con el Artículo VI de la Convención de las Naciones Unidas sobre Privilegios e Inmunidades, con las reservas que el Gobierno de México formuló al ratificarlo, publicada en el Diario Oficial de la Federación del 10 de mayo de 1963.

Sección 7 - Autorización de acceso y uso de instalaciones en México

El Gobierno de México autoriza, para el Período de Observaciones Intensivas del Experimento, con tiempo adicional antes y después de este período para los procedimientos apropiados de preparación y de terminación, el uso, hasta donde sea practicable, por otros Estados Miembros participantes, de las instalaciones del Aeropuerto de Acapulco, que puedan ser necesarios durante la duración del Experimento, de conformidad con la Sección 4 y que figuran en el Protocolo de Ejecución, anexo al presente Acuerdo.

Sección 8 - Entrada y salida de aeronaves y personal

- a) El Gobierno de México tomará las medidas convenientes a fin de que, previa solicitud que deberá hacerse con 72 horas de anticipación, se conceda a su debido tiempo la autorización correspondiente para que aeronaves con el emblema de la Organización y personal de otros Estados Miembros participantes, que estén asignados al Experimento, entren o salgan del país durante el mismo.
- b) El Gobierno de México se reserva el derecho de verificar la identidad del personal asignado al Experimento y de inspeccionar el equipo, materiales e instrumentos que se utilicen durante el mismo.

Sección 9 - Importación y exportación de materiales, equipo, suministro y otros bienes

El Gobierno de México tomará, cuando se le solicite, de acuerdo con la Convención de las Naciones Unidas sobre Privilegios e Inmunidades, las medidas necesarias para autorizar la admisión, sin ninguna restricción en México para su uso durante el Experimento y, oportunamente, para sacar de México, cuando sea apropiado, los materiales, el equipo, los suministros y otros bienes de otro Estado Miembro participante.

Sección 10 - Exenciones fiscales

Los materiales, el equipo, los suministros y otros bienes, inclusive vehículos de motor, que pertenezcan a otros Estados Miembros participantes asignados a México para los fines del Experimento, importados a México para su uso durante el Experimento, serán admitidos de acuerdo con la Convención de las Naciones Unidas sobre Privilegios e Inmunidades cuando se solicite, libres de impuestos aduanales, tasas de importación y otras cargas, sujetos a la exportación después de la finalización del Experimento. Se enviarán listas detalladas de estos bienes a los organismos cooperadores de México designados en la Sección 5.

TIAS 9423

Sección 11 - Tarifas de aterrizaje y otras cargas similares

Los Estados Miembros participantes no abonarán ninguna tasa ni tarifa por las actividades aeronáuticas en México para los fines del Experimento. Sin embargo, los servicios prestados debido al uso de equipo e instalaciones especiales, serán reembolsados de acuerdo con las tarifas acostumbradas.

Sección 12 - Gastos y pagos

Todos los gastos y pagos resultantes de la ejecución del presente Acuerdo y relativos a la prestación de servicios a los Estados Miembros participantes o a sus organismos cooperadores designados, serán sufragados enteramente por esos Estados Miembros.

Sección 13 - Responsabilidad

- a) Cada organismo cooperador de un Estado Miembro participante será responsable de las reclamaciones por daños a los bienes o a las personas, con respecto solamente a las actividades dentro del Experimento relacionadas o ejecutadas directamente por dicho organismo de cooperación o por sus empleados.
- b) Siempre que un empleado de un organismo cooperador intervenga a título personal en cualquier litigio, dicho organismo deberá colaborar con las autoridades mexicanas para facilitar la solución del litigio.
- c) Este Acuerdo no entrará en vigor para ningún organismo cooperador de otro Estado Miembro participante hasta en tanto no se haya suscrito un Acuerdo sobre responsabilidad entre el Gobierno de ese otro Estado Miembro participante y el Gobierno de México.

Sección 14 - Solución de controversias

- a) Toda controversia entre el Gobierno de México y la Organización relativa a la aplicación o interpretación del presente Acuerdo, se resolverá por negociación o por cualquier otro medio de solución pacífica de controversias acordado por las partes.

- b) Para cualquier controversia de naturaleza similar que se produzca entre otro Estado Miembro participante y la Organización o entre México y cualquier otro Estado Miembro participante o entre Estados Miembros participantes se adoptará el procedimiento detallado en el apartado a) anterior, mutatis mutandis, o no ser que se prevea de otra manera en un arreglo específico acordado entre las partes interesadas o en una nota por la cual un Estado Miembro acuerde ser Estado Miembro participante, tal y como se indicó en la Sección 16 a) siguiente.

Sección 15 - Protocolo de Ejecución

La Organización celebrará negociaciones con el Gobierno mexicano para suscribir un Protocolo de Ejecución que, de conformidad con este Acuerdo, tratará de los detalles de la ejecución del presente Acuerdo aplicable a cada Estado Miembro participante y constituirá un anexo al mismo.

Cada Estado Miembro de la Organización recibirá una copia de este Protocolo de Ejecución.

Sección 16 - Aplicación de este Acuerdo a los Estados Miembros participantes

- a) A fin de que este Acuerdo y el Protocolo de Ejecución puedan ser aplicables a cualquier otro Estado Miembro participante de la OMM, ese otro Estado Miembro entregará al Gobierno de México una nota en la cual convenga en ser participante en los términos y condiciones previstos en este Acuerdo y en el Protocolo de Ejecución y especifique el nombre y la dirección de su organismo nacional que actuará como organismo operador para los fines de este Acuerdo, así como que haya cumplido con lo estipulado en la Sección 13 c). La Organización recibirá una copia de la nota.
- b) Cualquiera de los otros Estados Miembros participantes podrá, de ser necesario, hacer arreglos complementarios con el Gobierno de México, de conformidad con el presente Acuerdo, para especificar cualquier detalle administrativo y técnico ulterior de la cooperación requerida entre los dos gobiernos.

La Organización recibirá una copia de estos arreglos complementarios.

- c) Dichos arreglos complementarios constituirán anexos al presente Acuerdo, aplicables solamente a las partes interesadas.
- d) Los arreglos complementarios podrán ser enmendados en cualquier momento, por mutuo acuerdo entre las dos partes. Toda enmienda deberá ser comunicada a la Organización.
- e) Cualquier arreglo específico hecho de conformidad con las disposiciones del presente Acuerdo constituirá un anexo al mismo, aplicable solamente a las partes.

Sección 17 - Notificación de los anexos y de las enmiendas

La Organización notificará a todos los Estados Miembros participantes todos los anexos y enmiendas establecidos de acuerdo con las disposiciones de las Secciones 15 y 16.

Sección 18 - Duración del Acuerdo

- a) Este Acuerdo entrará en vigor a partir de la firma de ambas partes y permanecerá en vigor hasta que el Gobierno de México y la Organización determinen mutuamente que el Experimento ha sido completado, pero en todo caso el Acuerdo terminará no después del 30 de junio de 1979.
- b) Este Acuerdo entrará en vigor para otros Estados Miembros participantes en la fecha de notificación de su aceptación de acuerdo con la Sección 16 a) anterior, después de haber cumplido con los términos y condiciones señalados en el mismo, y concluirá en la forma prevista en la Sección 18 a).

Hecho y firmado en Ginebra, a veinticinco de abril de mil novecientos setenta y nueve.

Por el Gobierno de México

Por la Organización Meteorológica Mundial

El Representante Permanente de
México ante los Organismos
Internacionales con sede
en Ginebra

Roberto Martínez Le Clainche

EmbaJador

El Secretario General

D.A. Davies

PROTOCOLO DE EJECUCION

En cumplimiento de las disposiciones de la Sección 15 del Acuerdo sobre el Experimento Mundial de Investigación Global de la Atmósfera entre la Organización Meteorológica Mundial y el Gobierno de México;

El Gobierno de México y la Organización Meteorológica Mundial, denominada de ahora en adelante la "Organización";

Han acordado lo siguiente:

Artículo 1 - Realización del Experimento

- a) Cada Estado Miembro participante destacará en el Aeropuerto de Acapulco durante el Experimento un representante para coordinar las actividades sobre el terreno y establecer enlace con el Organismo Cooperador Mexicano que, para los efectos de ejecución del presente Protocolo correspondientes al Gobierno de México, oportunamente designará.
- b) La Organización coordinará sus actividades a través del Centro de Operaciones del FGGE establecido en la Secretaría de la OMM en Ginebra. Las principales funciones del Centro de Operaciones del FGGE serán garantizar que la planeación y realización del Experimento se orienten en todo momento al logro de los objetivos científicos del mismo.
- c) El Gobierno de México asimismo designará a una persona calificada como Oficial de Enlace con los Representantes y la Organización.
- d) Las principales funciones de los Representantes serán las siguientes:

- i) garantizar el suministro del apoyo operativo, administrativo y logístico necesarios para conseguir los objetivos científicos del Experimento;
 - ii) facilitar las directrices científicas necesarias para las operaciones de vuelo a partir del emplazamiento operativo;
 - iii) actuar como enlace con el Organismo Cooperador Mexicano para todas las cuestiones relativas a todos los aspectos de personal, operativos, administrativos y logísticos del programa;
 - iv) coordinar los aspectos científicos del programa con el Organismo Cooperador Mexicano y la participación de personal autorizado mexicano en el programa de operaciones en vuelo.
- e) El programa de operaciones en el Aeropuerto de Acapulco será el siguiente:

Personal

Llegada no antes del 1 de mayo de 1979.

Salida no más tarde del 15 de junio de 1979.

Aeronaves

Llegada no antes del 5 de mayo de 1979.

Salida prevista alrededor del 10 de junio de 1979, con posible ampliación hasta el 15 de junio de 1979 si el mantenimiento de las aeronaves y/o el programa de observación del FGGE requiere ese plazo.

- f) Todas las aeronaves participantes serán sometidas a inspección aduanal y sanitaria cuando aterricen en Acapulco.
- g) Todas las operaciones de los aviones participantes se sujetarán a las disposiciones legales aeronáuticas.
- h) Los Representantes de otros Estados Miembros participantes proporcionarán al Representante Mexicano un programa de actividades antes de cada vuelo que salga de Acapulco y un informe del Programa realizado inmediatamente después de cada vuelo que termine en Acapulco.

- i) En las aeronaves que se utilicen para el Experimento, no se permitirá ningún arma ni equipo fotográfico ni de detección a distancia, ya sea instalado a bordo o transportado por estas unidades aéreas.
- j) Las aeronaves utilizadas en el Experimento deberán llevar el emblema de la Organización. No se permitirá utilizar ningún otro emblema. El Secretario General de la Organización autoriza oficialmente la utilización, para los fines del Experimento, del emblema y del nombre de la Organización y de la abreviatura de dicho nombre mediante sus letras iniciales por cualquier Estado Miembro participante en el Experimento. Las aeronaves mencionadas no estarán sujetas a la matrícula dentro de las leyes o de los reglamentos de México.

Artículo 2 - Asuntos de personal

- a) El personal de otros Estados Miembros participantes obtendrá antes del comienzo de las operaciones, las Visas correspondientes, y estará sujeta a las disposiciones migratorias mexicanas.
- b) El Gobierno de México se reserva el derecho de establecer el número del personal de los otros Estados Miembros participantes en el Experimento.
- c) Se intercambiarán listas de personal participante entre los Representantes y se informará de cualquier cambio en las mismas.
- d) Se adoptarán las disposiciones pertinentes para que personal mexicano autorizado participe en el programa de vuelos. Hasta 3 personas mexicanas autorizadas participarán en cada vuelo. Las cuestiones referentes al personal mexicano participante en las operaciones de vuelo serán coordinadas entre los Representantes.
- e) No se permitirá que el personal que participe en las operaciones del Experimento utilice el uniforme militar.

Artículo 3 - Servicios hospitalarios y médicos

El Organismo Cooperador Mexicano:

- a) Facilitará información sobre los servicios y locales hospitalarios que sean necesarios.
- b) Facilitará una lista con los nombres, direcciones y números de teléfono de médicos y dentistas recomendados que ejercen la medicina privada en Acapulco.

Artículo 4 - Actividades específicas por parte del Organismo Cooperador Mexicano

- a) El Organismo Cooperador Mexicano prestará su ayuda a los otros Estados Miembros participantes con respecto a lo siguiente:
 - i) las disposiciones necesarias para utilizar locales de oficina y espacio para un hangar en el Aeropuerto de Acapulco;
 - ii) autorización de acceso y uso de las instalaciones en el Aeropuerto de Acapulco;
 - iii) entrada y salida de aeronaves y de personal en México;
 - iv) importación y exportación de materiales, equipo, suministros y otros bienes necesarios para el Experimento;
 - v) exenciones fiscales de acuerdo con las Secciones 9, 10 y 11 del Acuerdo sobre el Experimento Mundial de Investigación Global de la Atmósfera, entre la Organización Meteorológica Mundial y el Gobierno de México.
- b) En lo posible, el Organismo Cooperador Mexicano tomará las medidas necesarias para que se proporcione:
 - i) espacio libre para estacionamiento en el Aeropuerto de Acapulco para una flota de hasta 3 aeronaves C-141 que se utilizarán en el Experimento;

ii) los terrenos al aire libre en el Aeropuerto de Acapulco que puedan ser necesarios para el almacenamiento del equipo y suministros destinados a su utilización en el Experimento. Estos terrenos no excederán de 200 metros cuadrados.

Artículo 5 - Actividades específicas por parte de la Organización

- a) La Organización hará los arreglos necesarios para que los otros Estados Miembros participantes, conjunta o individualmente y por el período de duración de las operaciones, faciliten o adopten las medidas necesarias para que se proporcionen, excepto si se ha dispuesto lo contrario o se acuerda otra cosa en una fecha ulterior, los aviones, todo el equipo técnico, los suministros y todo el personal necesario para la realización del Experimento.
- b) La Organización mantendrá en su Secretaría en Ginebra, Suiza, un Centro de Operaciones del FGGE para la coordinación internacional del Experimento.

Artículo 6 - Duración

El presente Protocolo de Ejecución entrará en vigor en la fecha de su firma y expirará al mismo tiempo que el Acuerdo sobre el Experimento Mundial de Investigación Global de la Atmósfera entre la Organización Meteorológica Mundial y el Gobierno de México.

El presente Protocolo de Ejecución entrará en vigor para los otros Estados Miembros participantes en la fecha en que notifiquen su aceptación de conformidad con la Sección 16 a) del Acuerdo sobre el Experimento de Investigación Global de la Atmósfera y después de haber cumplido con los términos y las condiciones señalados en el mismo y terminará el 30 de junio de 1979.

Hecho y firmado en Ginebra, a veinticinco de abril de mil novecientos setenta y nueve.

Por el Gobierno de México

Por la Organización Meteorológica Mundial

El Representante Permanente de
México ante los Organismos
Internacionales con sede
en Ginebra

Roberto Martínez Le Clainche

Embajador

El Secretario General

D.A. Davies

[TRANSLATION]

AGREEMENT ON THE GLOBAL WEATHER EXPERIMENT
BETWEEN
THE WORLD METEOROLOGICAL ORGANIZATION
AND
THE GOVERNMENT OF MEXICO

CONSIDERING that the World Meteorological Organization is planning a Scientific Experiment relating to the meteorological and oceanographic processes on the global scale within the framework of the Global Atmospheric Research Programme (GARP) of the Organization and the International Council of Scientific Unions;

CONSIDERING that Mexico is situated in proximity to areas in which special aircraft operations will be conducted as part of the Experiment and has at its disposal the appropriate installations, and that it has therefore been recommended that an aircraft operational centre of the Experiment should be established at Acapulco;

CONSIDERING that the Government of Mexico has considered with interest this recommendation;

NOW THEREFORE the following agreement is concluded as the basis for the co-operation between the World Meteorological Organization and the Government of Mexico.

Section 1 - Name of Experiment

The Experiment shall be known as the Global Weather Experiment, hereinafter referred to as "the Experiment".

Section 2 - Purpose of the Experiment

- To obtain a better understanding of atmospheric motion for the development of more realistic models for weather prediction.
- To assess the ultimate limit of predictability of weather systems.
- To design a composite meteorological observing system for routine weather prediction of the larger-scale features of the general circulation of the atmosphere.

- To investigate, within the limits of the period of observation as provided for in this Agreement, the physical mechanisms underlying the fluctuations of climate in the time range of a few weeks to a few years and to develop and test appropriate climatic models.
- In order to meet the above objectives, an instrument package will be dropped via parachute from an aircraft, and the instruments will measure winds and temperature and humidity profiles over tropical sea areas of the Pacific Ocean. Such data will be made available to all Member States of WMO as indicated in the WMO FGGE Publication Series: FGGE Report No. 3 - the FGGE Data Management Plan.

Section 3 – Conduct of the Experiment

The Experiment shall be conducted by National Co-operating Agencies designated by the Member States of the World Meteorological Organization indicated in the WMO FGGE Publication Series, Implementation and Operational Plan for the FGGE Special Observing Systems: Part B: Aircraft Dropwindsonde System, in co-operation with the World Meteorological Organization, hereinafter referred to as "the Organization". Member States of the Organization, other than Mexico, participating in the Experiment are hereinafter referred to as "other participating Member States".

Within the framework of the present Agreement the Organization shall be responsible for the implementation of the Experiment. The Organization will neither accept nor endorse any financial liability that might result directly or indirectly from the implementation of the Experiment. This liability will be the responsibility of the participating Member States.

Section 4 – Duration of the Experiment in respect of the aircraft operations

Aircraft operations will be conducted during the Period of intensive Observations which is scheduled to take place from 10 May 1979 to 8 June 1979.

Section 5 – Co-operating Agencies

The designated Co-operating Agencies under the present Agreement shall be:

- (a) For the World Meteorological Organization: The Secretariat of the Organization.

- (b) For Mexico: Foreign Affairs Secretariat;
National Defence Secretariat;
Finance and Credit Secretariat;
Agriculture and Water Resources
Secretariat;
The Secretariat for Communications
and Transport and for Airports and
Auxiliary Services.
- (c) For the other participating Member States: Such national agencies as the Member States shall designate in accordance with Section 16 below.

Section 6 - Privileges and Immunities

The Government of Mexico grants to the personnel participating in the Experiment the privileges and immunities as set forth in Article VI of the Convention on Privileges and Immunities of the United Nations^[1] with the reservations made by the Government of Mexico as ratified by it in the Official Journal of the Federation of 10 May 1963.

Section 7 - Authorization for Access to and Use of Facilities in Mexico

The Government of Mexico authorizes for the Period of Intensive Observations of the Experiment, with additional time prior to and after this period for the appropriate preparation and termination procedures, the use, in so far as practicable, by other participating Member States of the facilities of Acapulco Airport as may be required during the duration of the Experiment, in accordance with Section 4, and as they appear in the Protocol of Execution attached to the present Agreement.

Section 8 - Entry and Departure of Aircraft and Personnel

- (a) The Government of Mexico shall, upon request which should be made 72 hours in advance, take the necessary steps to grant in due time the authorization for entry into and departure from Mexico during the Experiment in respect of the aircraft with the emblem of the Organization and personnel of the other participating Member States assigned to the Experiment.

^[1] Adopted Feb. 13, 1946. TIAS 6900; 21 UST 1434.

- (b) The Government of Mexico reserves the right to verify the identity of personnel assigned to the Experiment and to inspect equipment, materials and instruments which will be used during the Experiment.

Section 9 - Importation and Exportation of Materials, Equipment, Supplies, Goods and other Property

The Government of Mexico shall, upon request, and in accordance with the Convention on Privileges and Immunities of the United Nations, take the necessary steps to authorize the admission without restriction into Mexico for use during the Experiment and in due course, where appropriate, the removal from Mexico, of materials, equipment, supplies, goods and other property of any other participating Member State.

Section 10 - Fiscal Exemptions

Materials, equipment, supplies, goods and other property, including motor vehicles, belonging to the other participating Member States, assigned to Mexico for the purpose of the Experiment, and imported into Mexico for use during the Experiment, shall, on request and in accordance with the Convention on Privileges and Immunities of the United Nations, be admitted free of tax, customs and import duties and other charges, subject to exportation after the conclusion of the Experiment. Detailed lists of such property shall be sent to the Co-operating Agencies of Mexico designated in Section 5.

Section 11 - Landing Fees and Other Similar Charges

No fees shall be payable by participating Member States for aeronautical activities in Mexico for the purpose of the Experiment. However, the cost of services rendered in respect of the use of equipment and special facilities shall be reimbursed in accordance with customary rates.

Section 12 - Expenditures and Payments

All expenditures and payments resulting from the execution of the present Agreement and relating to the provision of services to the participating Member States or their designated Co-operating Agencies shall be entirely borne by those Member States.

Section 13 - Liability

- (a) Each Co-operating Agency of a participating Member State shall be responsible for claims for damage to property or injury to persons with respect only to activities directly related to the Experiment or performed by the Co-operating Agency or its employees.
- (b) Whenever an employee of a Co-operating Agency is involved in a personal capacity in any litigation, the Co-operating Agency shall collaborate with Mexican authorities to facilitate settlement of the litigation.
- (c) This Agreement will not come into force for any Co-operating Agency of any other participating Member State until it has signed an Agreement on liability between the Government of the said other participating Member State and the Government of Mexico.

Section 14 - Settlement of Disputes

- (a) Any dispute between the Government of Mexico and the Organization relating to the application or interpretation of the present Agreement shall be settled by negotiation or by any other mode of peaceful settlement of disputes agreed on by the parties.
- (b) For any dispute of a similar nature arising between another participating Member State and the Organization or between Mexico and any other participating Member State or between participating Member States the procedure detailed in (a) above shall be adopted mutatis mutandis unless otherwise provided for in a specific arrangement agreed upon between the parties concerned or in a note by which a Member State agrees to be a participating Member State as provided for in Section 16 (a) below.

Section 15 - Protocol of Execution

The Organization shall negotiate with the Mexican Government for signature a Protocol of Execution which, in accordance with this Agreement, shall relate to the details of implementation of the present Agreement applicable to each participating Member State, and shall constitute an annex thereto.

Each Member State of the Organization shall receive a copy of this Protocol of Execution.

Section 16 - Application of this Agreement to Participating Member States

- (a) In order that this Agreement and the Protocol of Execution may become applicable to any of the other participating Member States of the Organization, that Member State shall deliver to the Government of Mexico a note wherein the Member State agrees to be a participating Member under the terms and conditions prescribed in the Agreement and in the Protocol of Execution and specifying the name and address of its national agency which will act as its Co-operating Agency for the purposes of the Agreement, as soon as it has fulfilled the stipulations of Section 13 (c). The Organization shall receive a copy of the note.
- (b) Any of the other participating Member States may, if necessary, establish with the Government of Mexico, Supplementary Arrangements, which, in accordance with the present Agreement, shall specify any further administrative and technical details of the required co-operation between the two Governments.

The Organization shall receive a copy of such Supplementary Arrangements.
- (c) Such Supplementary Arrangements shall constitute annexes to this Agreement, applicable only to the parties concerned.
- (d) Any Supplementary Arrangements may be amended at any time, by mutual agreement between the two parties concerned. Any amendments shall be notified to the Organization.
- (e) Any specific arrangement made in accordance with the provisions of the present Agreement shall constitute an annex to this Agreement, applicable only to the parties to the arrangement.

Section 17 - Notification of Annexes and Amendments

The Organization shall notify all participating Member States of all annexes and amendments established in accordance with the provisions of Sections 15 and 16.

Section 18 - Duration of Agreement

- (a) This Agreement shall enter into force upon signature by both parties and shall remain in force until the Government of Mexico and the Organization mutually determine that the Experiment has been completed, but in all events the Agreement shall terminate not later than 30 June 1979.

- (b) This Agreement shall enter into force for other participating Member States on the date of notification of their acceptance thereof in accordance with Section 16 (a) above, after they have fulfilled the terms and conditions indicated therein, and will terminate in accordance with Section 18 (a).

Done and signed at Geneva on this twenty-fifth day of April nineteen hundred and seventy-nine

For the
Government of Mexico

For the
World Meteorological Organization

R. Martínez

D. A. Davies

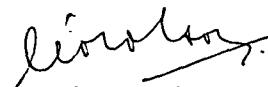
Permanent Representative of Mexico
with the international organizations
in Geneva

Secretary-General
D.A. Davies

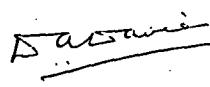
Roberto Martínez Le Clainche
Ambassador

Certified that the above text in the English language is an authentic translation of the original text in the Spanish language.

Geneva, 25 April 1979


(L. Colson)

Chief, Language Branch,
WMO Secretariat


(D.A. Davies)

Secretary-General, WMO

PROTOCOL OF EXECUTION

Pursuant to the provisions of Section 15 of the Agreement on the Global Weather Experiment between the World Meteorological Organization and the Government of Mexico;

The Government of Mexico, and the World Meteorological Organization, hereinafter referred to as the "Organization";

Have agreed as follows:

Article 1 - Conduct of the Experiment

- a) Each participating Member State shall detach in Acapulco Airport during the Experiment a representative to co-ordinate activities on the spot and to establish liaison with the Mexican Co-operating Agency, which, for the purpose of the execution of the present Protocol relevant to the Government of Mexico, shall be duly designated.
- b) The Organization shall co-ordinate its activities through the FGGE Operations Centre at the WMO Secretariat, Geneva. The main duties of the FGGE Operations Centre shall be to ensure that the planning and conduct of the Experiment are directed at all times toward the achievement of the scientific goals of the Experiment.
- c) The Government of Mexico shall likewise designate a qualified person as Liaison Officer who will be the contact for the representatives and the Organization.
- d) The main duties of the representatives shall be:
 - i) to ensure the provision of the operational, administrative and logistic support needed to achieve the scientific objectives of the Experiment;

TIAS 9423

- ii) to provide the scientific guidance required for the flight operations from the operations site;
 - iii) to be the focal point for liaison with the Mexican Co-operating Agency concerning all personnel, operational, administrative and logistic aspects of the programme;
 - iv) to co-ordinate the scientific aspects of the programme with the Mexican Co-operating Agency and the participation of authorized Mexican personnel in the programme of in-flight operations.
- e) The schedule of operations at Acapulco Airport shall be as follows:
- Personnel
- Arrival not earlier than 1 May 1979
Departure not later than 15 June 1979
- Aircraft
- Arrival not earlier than 5 May 1979
- Planned departure around 10 June 1979, with possible extension up to 15 June 1979 should aircraft maintenance and/or FGGE observational programme so require.
- f) All participating aircraft shall undergo customs and health inspection upon landing in Acapulco.
 - g) All the operations of participating aircraft shall be subject to the legal provisions for aviation.
 - h) The representatives of other participating Member States shall provide the Mexican representative with the operations schedule before each flight from Acapulco as well as a report of the programme accomplished immediately after each flight terminating in Acapulco.
 - i) In the aircraft being used for the Experiment, no arms, photographic or remote sensing equipment are permitted, whether installed in, or carried aboard these aircraft.

- j) Aircraft used in the Experiment are required to display the emblem of the Organization. No other emblem shall be used. The use of the emblem of the Organization, of its name and of abbreviations of that name through the use of its initial letters by any Member State participating in the Experiment is formally authorized for the purposes of this Experiment by the Secretary-General of the Organization. The said aircraft shall not be subject to the registration under laws or regulations of Mexico.

Article 2 – Personnel matters

- a) Personnel from other participating Member States shall obtain the appropriate visas prior to the commencement of operations, and shall be subject to the Mexican immigration regulations.
- b) The Government of Mexico reserves the right to determine the number of the personnel of the other Member States participating in the Experiment.
- c) Lists of participating personnel shall be exchanged between the representatives as well as information on any amendments thereto.
- d) Appropriate provisions shall be made for authorized Mexican personnel to participate in the flight programme. Up to three authorized Mexican persons shall participate in each flight. Matters relating to the Mexican personnel participating in the flight operations shall be co-ordinated between the representatives.
- e) Personnel participating in the operations of the Experiment shall not wear military uniform.

Article 3 – Hospital and Medical Services

The Mexican Co-operating Agency shall:

- a) Provide information on the hospital services and premises, as needed.
- b) Provide a list of the names, addresses and telephone numbers of recommended doctors and dentists in private practice in Acapulco.

Article 4 - Specific Undertakings on the Part of the Mexican Co-operating Agency

- a) The Mexican Co-operating Agency shall assist the other participating Member States with regard to the following:
 - i) the necessary arrangements for using offices and hangar space at Acapulco Airport;
 - ii) authorization for access to and use of facilities at Acapulco Airport;
 - iii) entry and departure of aircraft and personnel to and from Mexico;
 - iv) importation and exportation of materials, equipment, supplies, goods and other property needed for the Experiment;
 - v) fiscal exemptions in accordance with Sections 9, 10 and 11 of the Agreement on the Global Weather Experiment between the World Meteorological Organization and the Government of Mexico.
- b) The Mexican Co-operating Agency shall, in so far as practicable, arrange for the provision of:
 - i) free parking space at Acapulco Airport for a fleet of up to three C-141 aircraft to be used in the Experiment;
 - ii) such amounts of open storage space at Acapulco Airport as may be required for the storage of equipment and supplies intended for use in the Experiment. This space shall not exceed 200 square meters.

Article 5 - Specific Undertakings on the Part of the Organization

- a) The Organization shall arrange that the other participating Member States, either jointly or individually and for the duration of the operations except as otherwise provided above, or as may be agreed at some future date, shall provide, or arrange for the provision of the aircraft, all the technical equipment and supplies and all the personnel required for the conduct of the Experiment.

- b) The Organization shall maintain at its Secretariat in Geneva, Switzerland, an FGGE Operations Centre for the international co-ordination of the Experiment.

Article 6 - Term

The present Protocol of Execution shall enter into force upon signature by both parties and shall be coterminous with the Agreement on the Global Weather Experiment between the World Meteorological Organization and the Government of Mexico.

The present Protocol of Execution shall enter into force for other participating Member States on the date of notification of their acceptance thereof, in accordance with Section 16 (a) of the Agreement on the Global Weather Experiment and, upon fulfilment of the terms and conditions laid down therein, shall terminate on 30 June 1979.

Done and signed at Geneva on this twenty-fifth day of April nineteen hundred and seventy-nine

For the
Government of Mexico

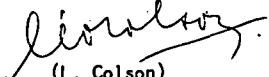
For the
World Meteorological Organization

R Martinéz
Permanent Representative of Mexico
with the international Organizations
in Geneva

D. A. Davies
Secretary-General
D.A. Davies

Roberto Martinez Le Clainche
Ambassador

Certified that the above text in the English language is an authentic translation of the original text in the Spanish language.


(L. Colson)

Chief, Language Branch,
WMO Secretariat


(D.A. Davies)

Secretary-General, WMO

[EXCHANGE OF NOTES]

No. 718

Excellency:

I have the honor to refer to the Agreement on The Global Weather Experiment between the World Meteorological Organization and the Government of Mexico signed at Geneva on April 25, 1979. In accordance with the provisions of Section 16 (A) of the Agreement, I have the honor to inform Your Excellency that the United States of America agrees to be a Participating Member State under the terms prescribed in the Agreement and its corresponding Protocol of Execution, subject to the following conditions:

1. The obligation of the United States under Section 12 is subject to the availability of appropriated funds; further, the United States of America understands that it will bear only the cost of its own participation in the Experiment.

His Excellency

Lic. Santiago Roel

Secretary of Foreign Relations

Mexico, D. F.

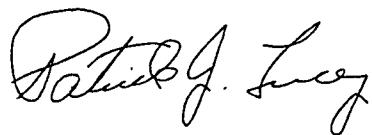
2. Concerning Section 13, the United States of America shall be responsible for claims for damage to property or injury to persons with respect only to activities under the Experiment directly engaged in, or performed by, the designated cooperative agency of the United States of America or its employees. No liability shall attach to the United States of America based solely on title to the equipment, facilities, or any other property used in the Experiment.

Personnel of the United States participating in the Experiment will not remain in Mexico for any reason beyond June 15, 1979. Also, they will not carry weapons nor wear military uniforms, and the aircraft which they utilize will carry the emblem of the international organization. In addition, the aircraft will not carry armaments nor photographic or distance detection equipment, beyond that needed for the research.

I have the further honor to inform you that the designated cooperating agency for the United States of America is: The National Oceanic and Atmospheric Administration, Department of Commerce, Rockville, Maryland 20852, USA. The U. S. Representative prescribed in Article 1 (A) of the Protocol of Execution is Mr. Edward V. Tiernan of the U. S. Project Office for the Experiment.

If these understandings are acceptable to the Government of Mexico, I have the honor to propose that this Note and Your Excellency's reply shall constitute an Agreement between our two Governments effective on the date of your reply.

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



[¹]

A handwritten signature in cursive ink, appearing to read "Patrick J. Lucey". A small superscripted number "[1]" is positioned to the right of the signature.

Embassy of the United States of America
Mexico, D. F. April 15, 1979

¹ Patrick J. Lucey.

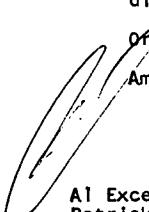
ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D.F., a 25 de abril de 1979.

Excelentísimo señor Embajador:

1204213 Tengo el honor de avisar recibo de la atenta nota de Vuestra Excelencia número 718, en la que se sirve manifestar el acuerdo del Gobierno de los Estados Unidos de América para participar como un Estado Miembro en el Acuerdo sobre el Experimento de la Investigación Global de la Atmósfera entre la Organización Meteorológica Mundial y el Gobierno de los Estados Unidos Mexicanos, y de su correspondiente Protocolo de Ejecución, de conformidad con los términos y condiciones previstos, en esos instrumentos y sujeto a las condiciones siguientes:

- (1) La obligación de Estados Unidos de América conforme a la Sección 12 está sujeta a la disponibilidad de fondos asignados, además Estados Unidos de América entiende que cubrirá únicamente los gastos de su propia participación en el Experimento.
- (2) Por lo que concierne a la Sección 13, Estados Unidos de América será responsable de las reclamaciones por daños a la propiedad o lesiones a personas, únicamente en relación con las actividades del Experimento y que sean directamente hechas o llevadas a cabo por la agencia u Organismo Cooperador designado por Estados Unidos de América o sus empleados. Ninguna responsabilidad ---


Al Excelentísimo señor
Patrick Joseph Lucey,
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América,
Ciudad.

recaerá en Estados Unidos de América por el solo hecho de tener el título de propiedad del equipo, las instalaciones o cualquier otro bien usado en el Experimento.

- (3) El personal de los Estados Unidos de América participante en el Experimento, no permanecerá en territorio mexicano por ningún motivo, más tarde del 15 de junio de -- 1979. De igual forma, no portará armas ni uniformes militares y las aeronaves que se utilicen deberán llevar el emblema de la Organización Internacional. Asimismo, no llevarán consigo armamento ni equipo fotográfico o de detección a distancia, ajenos a las investigaciones.

Asimismo, se ha tomado debida nota que el Organismo Cooperador designado por Estados Unidos de América es: "The National Oceanic and Atmospheric Administration, ----- Department of Commerce, Rockville, Maryland, 20852, USA" y el Representante de Estados Unidos de América conforme se establece en el Artículo 1(A) del Protocolo de Ejecución es el Sr. Edward V. Tiernan de la Oficina de Proyecto de los Estados Unidos de América para el Experimento.

Me complazco en informar a Vuestra Excelencia que esta respuesta y Vuestra nota constituirán un Acuerdo -- entre nuestros Gobiernos, que entrará en vigor a partir de esta fecha sobre la participación de los Estados Unidos de América en el Experimento a que se ha hecho referencia.

En relación con el Artículo 2, inciso b) del Protocolo de Ejecución, el número de participantes como máximo del personal de Estados Unidos de América, que en un momento determinado puede estar en territorio mexicano es de - 79; en el entendido de que en todo el Experimento no podrán participar más de 148.

Aprovecho la ocasión para reiterarle a Vuestra Excelencia las seguridades de mí más alta y distinguida consideración.

EL SUBSECRETARIO DE RELACIONES EXTERIORES

Lic. José Juan de Olloqui

TRANSLATION

UNITED MEXICAN STATES
MINISTRY OF FOREIGN RELATIONS
MEXICO

No. 1204213

Tlatelolco, D.F., April 25, 1979

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's note No. 718 expressing the agreement of the Government of the United States of America to participate as a Member State in the Agreement on the Global Weather Experiment between the World Meteorological Organization and the Government of the United Mexican States and its corresponding Protocol of Execution under the terms and conditions prescribed in those instruments and subject to the following conditions:

1. The obligation of the United States of America under Section 12 is subject to the availability of appropriated funds; further, the United States of America understands that it will bear only the cost of its own participation in the Experiment.

2. Concerning Section 13, the United States of America will be responsible for claims for damage to property or injury to persons with respect only to activities under the Experiment directly engaged in, or performed by, the designated cooperative agency of the United States of America or its employees. No liability shall attach to the United States of America based solely on title to the equipment, facilities, or any other property used in the Experiment.

His Excellency
Patrick Joseph Lucey,
Ambassador Extraordinary and
Plenipotentiary of the United States of America,
Mexico, D.F.

Personnel of the United States of America participating in the Experiment will not remain in Mexican territory for any reason beyond June 15, 1979. Also, they will not carry weapons or wear military uniforms, and the aircraft which they utilize must carry the emblem of the international organization. In addition, the aircraft will not carry armaments or photographic or distance detection equipment, beyond that needed for the research.

It has been duly noted that the designated cooperating agency for the United States of America is: The National Oceanic and Atmospheric Administration, Department of Commerce, Rockville, Maryland 20852, USA. The United States Representative prescribed in Article 1(A) of the Protocol of Execution is Mr. Edward V. Tiernan of the United States Project Office for the Experiment.

I take pleasure in informing Your Excellency that this reply and Your note will constitute an Agreement between our Governments, effective today, on the participation of the United States of America in the above-mentioned Experiment.

With regard to Article 2(b) of the Protocol of Execution, the maximum number of United States participating personnel who at a given moment may be in Mexican territory is 79, with the understanding that no more than 148 persons may participate in the entire Experiment.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

Jose Juan de Olloqui

Jose Juan de Olloqui
Assistant Secretary of
Foreign Relations

MEXICO

Shellfish Sanitation

*Memorandum of understanding signed at México
March 7, 1979;*

Entered into force March 7, 1979.

MEMORANDUM OF UNDERSTANDING TO CONTROL
THE SANITARY QUALITY
OF FRESH OR FRESH FROZEN BIVALVE MOLLUSCA
DESTINED FOR EXPORTATION
TO THE
UNITED STATES OF AMERICA

Between The

FOOD AND DRUG ADMINISTRATION
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
UNITED STATES OF AMERICA

And The

SECRETARIAT OF HEALTH AND WELFARE
OF THE
UNITED STATES OF MEXICO

The Secretariat of Health and Welfare of the United States of Mexico (SSA) and the Food and Drug Administration (FDA) of the Department of Health, Education and Welfare of the United States of America affirm by this document their intention to cooperate in assuring that fresh and fresh frozen oysters, clams and mussels exported to the United States of America are safe, wholesome and have been harvested, transported, processed and labeled in accordance with the provisions of the National Shellfish Sanitation Program (NSSP) and requirements of the Federal Food, Drug and Cosmetic Act^[1] of the United States of America.

^[1] 52 Stat. 1040; 21 U.S.C. § 301.

I. TERMS: For purposes of this Memorandum, both parties agree to the following definitions:

Lot - A number of shellfish from no more than one day's harvest, from a single growing area, produced under conditions as nearly uniform as possible, placed in a collection of primary containers or units of the same size, type and style, and identified by a common container code or marking.

Central file - The location where shellfish control program information, data, and reports are stored and maintained.

Shellfish - All edible species of molluscan bivalves except scallop species from the family Pectinidae. Only shellfish that are offered for entry into the United States of America as fresh or fresh frozen products are covered under this Memorandum of Understanding.

Marine biotoxins - Natural toxins produced by marine dinoflagellates such as Gonyaulax

catenella, Gonyaulax tamarensis, and Gymnodinium breve and concentrated by shellfish during the feeding process.

II. FOOD AND DRUG ADMINISTRATION AND THE SECRETARIAT OF HEALTH AND WELFARE.

- A. Both parties agree to provide information concerning proposed changes in the following:
1. Methods and procedures for sampling.
 2. Methods of analysis.
 3. Methods of confirmation.
 4. Administrative guidelines, tolerances, specification standards and nomenclature.
 5. Reference standards.
 6. Inspectional procedures.

- B. Both parties agree to inform each other on a timely basis of the fundamentals of the following:

1. Proposed modification of existing Federal or local regulations.

TIAS 9424

2. Proposed new Federal regulations.
 3. Proposed new legislation.
 4. Proposed modifications to the national shellfish sanitation programs.
- C. Both parties agree to name a liaison officer who will coordinate all operational matters relating to this Memorandum. The liaison officers will be responsible for facilitating exchanges of information and expeditiously informing other interested parties within their respective countries on shellfish control problems requiring prompt attention. Each party agrees to provide notification of any changes in liaison officer appointments. Such notification shall constitute a formality and does not require a revision of this agreement.

The Secretariat of Health and Welfare liaison officer is the C. Director General de Coordinacion y Control Ambiental.

The Food and Drug Administration liaison
officer is the Director, Mexican Liaison Staff.

- D. Both parties agree that the language used for the documents which are interchanged within this Memorandum is that of the country of origin, accompanied by a first (rough) draft translation in the language of the country it is destined.

III. THE SECRETARIAT OF HEALTH AND WELFARE AGREES TO:

- A. Classify its shellfish harvesting waters in accordance with the procedures and standards set forth in the NSSP.
- B. Assure that only shellfish harvested from areas which meet NSSP approved water quality and marine biotoxin standards and processed according to NSSP guidelines will be exported to the United States of America.
- C. Inspect the harvesting, transporting and

processing of shellfish at sufficient frequency to assure compliance with NSSP sanitary control practices.

- D. Issue sanitation quality certificates for harvesting areas, only to those shellfish exporting firms and cooperatives that comply with NSSP recommended practices and to notify FDA of the name, location and certification number of these firms or cooperatives on Form FD-3038b "Shellfish Certification". To cancel a firm's certification, the SSA will send a completed Form FD-3038c "Certification Cancellation" to FDA.

- E. Require that all containers or units of all lots of shellfish exported to the United States of America be identified by lot number and certification number, together with all other information required by the U.S. Federal Food, Drug and Cosmetic Act.

F. Invite technical observers of the FDA to visit the firms or cooperatives which have certificates, as well as the shellfish growing areas. Such visits will be made on an annual basis or at a frequency deemed appropriate by both parties to observe the operation of the Mexican Bivalve Mollusca Sanitation Program.

G. Make travel arrangements for the FDA technical observers and provide the necessary facilities for carrying out their observations within Mexico.

H. Participate in FDA's laboratory quality assurance programs.

These include:

1. Participation in the analysis of split samples of:
 - a. Seawater or shellfish meats to determine indicator bacteria or pathogens.

- b. Shellfish meats to determine heavy metals and other chemical or radionuclide substances as may be deemed necessary.
2. The evaluation of new methods and procedures, including reagents, media, or other materials as well as instruments and equipment performance.
- I. The establishment of a central office that will maintain a central file of laboratory results, including routine monitoring data and data from quality assurance programs. Standard formats for collecting and reporting data should be used and these will be printed in English and Spanish.
- J. Promulgation and enforcement of sanitation laws and regulations governing the growing, harvesting, processing and shipment of shellfish to the United States of America are the sole responsibility of the SSA.

IV. FOOD AND DRUG ADMINISTRATION (FDA) AGREES TO:

- A. Publish the names, locations and certification numbers of firms or cooperatives submitted by the SSA. These will appear in the monthly INTERSTATE CERTIFIED SHELLFISH SHIPPERS LIST.
- B. Upon request of the SSA, the FDA will provide training to technical personnel on administrative procedures, inspection and laboratory procedures, and classification of shellfish growing areas.
- C. Whenever shellfish are detained by FDA due to noncompliance with recommended NSSP practices, FDA will inform SSA of the reason or reasons for the detention.
This information includes:
 1. Commodity, lot and certification number.
 2. Name and address of the shipper.
 3. Reason for the detention.
 4. Sampling procedure.

5. Methods of analysis and confirmation.
 6. Administrative procedures.
- D. FDA agrees to make travel arrangements for, and pay round trip transportation expenses of, its observation team between the United States of America and Mexico. FDA will also pay all per diem of the observation team.

V. NATIONAL SHELLFISH SANITATION PROGRAM (NSSP) OF THE UNITED STATES OF AMERICA.

The SSA may participate in workshops of the United States of America, cooperative research programs, seminars, training courses and other activities designed for the timely interchange of technical information, assistance and joint resolution of problems confronting the NSSP.

The SSA may participate in a joint evaluation of the United States of America's program as it pertains to shellfish imports from Mexico.

The SSA may also:

- A. Make recommendations for changes and improvements in NSSP procedures, methods and standards.
- B. Be advised by FDA in case of questions by state or local food control officials regarding the certification, safety and wholesomeness of shellfish imported from Mexico. FDA will, if so requested, seek to determine the reason for the problem and inform the SSA of any action taken relative to United States of America state and local laws governing such shellfish imports.

This document will become effective on the date it is signed by both parties and shall remain in effect until one of the parties gives 60 days notice to the other of its intention to terminate or modify it.

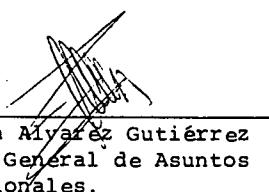
In witness whereof, both parties sign this Memorandum of
Understanding in the City of Mexico, on the 7 th. day of
the month of March of 1979.

For the SSA, Mexico


Ing. Humberto Romero Alvarez
Subsecretario de Mejoramiento
del Ambiente

For the FDA, United
States of America


Sherwin Gardner
Deputy Commissioner


Dr. Ramon Alvarez Gutiérrez
Director General de Asuntos
Internacionales.

MEMORANDUM DE ENTENDIMIENTO PARA CONTROLAR LA CALIDAD SANITARIA DE LOS MOLUSCOS BIVALVOS, FRESCOS O CONGELADOS FRESCOS, DESTINADOS A LA EXPORTACION A LOS ESTADOS UNIDOS DE AMERICA

entre la

SECRETARIA DE SALUBRIDAD Y ASISTENCIA (S.S.A.)
DE LOS ESTADOS UNIDOS MEXICANOS

y la

ADMINISTRACION DE ALIMENTOS Y DROGAS (F.D.A.)
DEPARTAMENTO DE SALUD, EDUCACION Y BIENESTAR
DE LOS ESTADOS UNIDOS DE AMERICA

La Secretaría de Salubridad y Asistencia de los Estados Unidos Mexicanos (S.S.A.) y la Administración de Alimentos y Drogas del Departamento de Salud, Educación y Bienestar de los Estados Unidos de América (F.D.A.) manifiestan por medio de este documento, su intención de cooperar para asegurar que las ostras, almejas y mejillones frescos y congelados frescos, que se exporten a los Estados Unidos de América, sean inocuos, sanos y que se han recolectado, transportado, procesado y etiquetado de acuerdo con las disposiciones del Programa Nacional de Sanidad de Moluscos (NSSP*) y los requerimientos del Acta Federal de Alimentos, Drogas y Cosméticos de los Estados Unidos de América.

- I. TERMINOS: Para los propósitos de este Memorándum, ambas partes están de acuerdo con las siguientes definiciones:

Lote.- Es un conjunto de moluscos de una cosecha de no más de un día de producción, de una sola área de crecimiento, que se encuentran en una colección de envases primarios o unidades del mismo tamaño, tipo y estilo, producidos bajo condiciones lo más uniformes posibles e identificados por una clave o marca común en el envase o unidades.

Archivo Central.- El lugar donde se guarda la información, datos y reportes del Programa de Control de Moluscos.

* National Shellfish Sanitation Program.

Moluscos. - Todas las especies comestibles de moluscos bivalvos, excepto almejas de la familia Pectinidae. Sólo moluscos que se ofrecen para entrar en los Estados Unidos de América como productos frescos o congelados frescos son amparados por este Memorándum de Entendimiento.

Biotoxinas Marinas. - Toxinas naturales producidas por dinoflagelados marinos, tales como: Gonyaulax catenella, Gonyaulax tamarensis y Gymnodinium breve y concentradas por los moluscos durante su proceso de alimentación.

II. LA ADMINISTRACION DE ALIMENTOS Y DROGAS Y LA SECRETARIA DE SALUBRIDAD Y ASISTENCIA:

A. Están de acuerdo en proporcionar la información concerniente a los cambios que se propongan en lo siguiente:

1. Métodos y procedimientos de muestreo.
2. Métodos de análisis.
3. Métodos de confirmación.
4. Guías administrativas, tolerancias, estándares de especificación y nomenclatura.
5. Estándares de referencia.
6. Procedimientos de inspección.

B. Ambas partes están de acuerdo en informar una a la otra, oportunamente, los fundamentos de lo siguiente:

1. Modificaciones que se propongan a reglamentos federales o locales.
2. Nuevos reglamentos federales que se propongan.
3. Nueva legislación que se proponga.
4. Modificaciones que se propongan a los programas nacionales sanitarios de moluscos.

C. Ambas partes están de acuerdo en nombrar un oficial de enlace, que coordinará todos los asuntos operacionales relacionados con este Memorándum. Los oficiales de enlace serán responsables de facilitar el intercambio de información e informar de manera expedita a las partes interesadas, dentro de sus respectivos países, del control de los problemas concernientes a moluscos que requieren pronta atención.

Las partes están de acuerdo en notificarse de cualquier cambio del nombramiento del oficial de enlace. Tal notificación constituirá una formalidad y no requiere una re-

visión de este acuerdo.

El Oficial de enlace de la S.S.A. es el C. Director General de Coordinación y Control Ambiental.

El Oficial de enlace de la F.D.A. es the Director, Mexican Liaison Staff.

D. Ambas partes están de acuerdo en que el idioma utilizado en los documentos intercambiados bajo este Memorándum es el del país de origen, acompañado de una traducción primaria en el idioma del país al cual va destinado.

III. LA S.S.A. ESTA DE ACUERDO EN:

- A. Clasificar las aguas de recolección de moluscos de acuerdo con los procedimientos y estándares acordados en el - NSSP.
- B. Asegurar que sólo se exporten a los Estados Unidos de -- América moluscos recolectados de áreas que cumplan con - la calidad del agua y estándares de biotoxinas marinas - del NSSP, y que se han procesado de acuerdo a los lineamientos del mismo.
- C. Inspeccionar la cosecha, transporte y procesamiento de - los moluscos, con la periodicidad necesaria para asegurar que se cumpla con las prácticas de control sanitario del NSSP.
- D. Emitir certificados de calidad sanitaria de áreas de extracción, sólo a empresas y cooperativas que exporten moluscos que cumplan con las prácticas recomendadas por el NSSP; y en notificar a la F.D.A. el nombre, localización y número de certificado de dichas empresas o cooperativas, en la forma FD-3038 b "Certificación de Moluscos". Para cancelar una certificación la S.S.A. enviará a la - F.D.A., después de llenarla, la forma FD-3038 c "Cancelación de Certificación".
- E. Exigir que todos los envases o unidades, de todos los lotes de moluscos, que se exporten a los Estados Unidos de América, se identifiquen con un número de lote y un número de certificación, junto con cualquiera otra información que requiera el Acta Federal de Alimentos, Drogas y Cosméticos de dicho país.

- F. Invitar a observadores técnicos de la F.D.A., para visitar las empresas o cooperativas que tengan certificados, así como las áreas de cultivo de moluscos. Tales visitas se harán en forma anual, o con la frecuencia que ambas partes consideren apropiada, para observar la operación del Programa Mexicano de Sanidad de Moluscos Bivalvos.
- G. Efectuar arreglos para los viajes de los observadores -- técnicos de la F.D.A. y proporcionar las facilidades necesarias para la realización de sus observaciones en México.
- H. Participar con el laboratorio de la F.D.A. en los programas para asegurar la calidad de los análisis; esto incluye:
1. Participación en el análisis de muestras pareadas de:
 - a. Agua de mar o carne de moluscos, para determinar - bacterias indicadoras o patógenas.
 - b. Carne de moluscos, para determinar metales pesados y otras sustancias químicas o radioactivas que se considere necesario.
 2. La evaluación de nuevos métodos y procedimientos, incluyendo: reactivos, medios u otros materiales, así como funcionamiento de instrumentos y equipo.
- I. Establecer una oficina central, donde se tendrá un archivo central con los resultados de laboratorio, incluyendo datos de monitoreo de rutina y de los programas, para -- asegurar la calidad de los análisis. Deberán usarse los formatos estándares para recolectar y reportar estos datos impresos en español e inglés.
- J. Es responsabilidad única de la S.S.A. promover y vigilar el cumplimiento de las leyes y reglamentos sanitarios -- que rigen el crecimiento, recolección, proceso y envío de moluscos a los Estados Unidos de América.

IV. LA ADMINISTRACION DE ALIMENTOS Y DROGAS ESTA DE ACUERDO EN:

- A) Publicar los nombres, localización y número de certificación de las empresas o cooperativas propuestas por la -- S.S.A. Estas aparecerán mensualmente en la Lista Interes

tatal de Compañías de Moluscos Certificadas.

- B) A solicitud de la S.S.A., la F.D.A. proporcionará entrenamiento a personal técnico, en procedimientos administrativos, de inspección, laboratorio y clasificación de áreas de crecimiento de moluscos.
- C) Cuando los moluscos sean detenidos por la F.D.A. debido al incumplimiento de las prácticas recomendadas por el — NSSP, la F.D.A. informará a la S.S.A. la razón o razones de dicha detención.

Esta información incluye:

1. Producto, lote y número de certificación.
 2. Nombre y dirección de la empresa o cooperativa que lo embarcó.
 3. Razón de la detención.
 4. Procedimiento de muestreo.
 5. Métodos de análisis y confirmación.
 6. Procedimientos administrativos.
- D) La F.D.A. está de acuerdo en hacer los arreglos para el traslado y pagar los gastos de transporte del viaje redondo de su equipo de observadores, entre los Estados Unidos de América y México. La F.D.A. también pagará todos los viáticos del equipo de observadores.

V. PROGRAMA NACIONAL DE SANIDAD DE MOLUSCOS DE LOS ESTADOS UNIDOS DE AMERICA (NSSP).

La S.S.A. podrá participar en los grupos de trabajos de los Estados Unidos de América, programas de investigación cooperativa, seminarios, cursos de entrenamiento y otras actividades diseñadas para el intercambio oportuno de información técnica, asistencia y resoluciones conjuntas de problemas — que confronte el NSSP.

La S.S.A. podrá participar en la evaluación conjunta del — programa de los Estados Unidos de América, en lo referente a las importaciones de moluscos procedentes de México.

La S.S.A. podrá también:

- A. Recomendar cambios y mejoras en los procedimientos, métodos y estándares del NSSP.

- o Ser asesorada por la F.D.A. cuando un oficial local o estatal de alimentos tenga duda sobre la certificación, -- inocuidad e integridad de los moluscos importados de México La F.D.A. si así le es solicitado, buscará determinar la razón del problema e informará a la S.S.A. de --- cualquier acción tomada, relativa a las leyes estatales y locales de los Estados Unidos de América en materia de importación de moluscos.

Este documento se hará efectivo a partir de la fecha de la firma de ambas partes y estará en vigor hasta que una de -- las partes notifique a la otra su intención de terminarlo o modificarlo, con aviso anticipado de 60 días.

En testimonio de lo anterior, las partes firman este Memorandum de Entendimiento en la Ciudad de México, D.F., a los 7 días del mes de Marzo de 1979.

POR LA S.S.A. (MEXICO)

El Subsecretario de Mejoramiento
del Ambiente



Ing. Humberto Romero Alvarez.

POR LA F.D.A. (E.U.A.)

Deputy Commissioner
Food and Drug Administration



Sherwin Gardner

El Director General de Asuntos
Internacionales



Dr. Ramón Alvarez Gutiérrez.

JORDAN

Alien Amateur Radio Operators

*Agreement effected by exchange of notes
Signed at Amman February 6 and March 11, 1979;
Entered into force March 11, 1979.*

The American Ambassador to the Jordanian Minister of Foreign Affairs

FEBRUARY 6, 1979

EXCELLENCY:

I have the honor to refer to conversations between representatives of the Government of the Hashemite Kingdom of Jordan and representatives of the Government of the United States of America relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the Radio Regulations, Geneva, 1959.^[1] It is proposed that an agreement with respect to this matter be concluded as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

Upon the receipt of a reply letter from you indicating the concurrence of the Government of the Hashemite Kingdom of Jordan, it will be considered that this letter and the reply letter constitute an agreement between the two Governments, such agreement to be in

¹ TIAS 4893; 12 UST 2633.

force as of the date of the reply letter and to be subject to termination by either Government giving six months' notice, in writing, of its intention to terminate.

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

Sincerely,

NICHOLAS A. VELIOTES

Nicholas A. Velotes
Ambassador

His Excellency

MUDAR BADRAN

*Minister of Foreign Affairs
Hashemite Kingdom of Jordan
Amman*

The Jordanian Minister of State for Foreign Affairs to the American Ambassador

بسم الله الرحمن الرحيم



الرقم: ست د ١٤٨٨/٣٥

التاريخ: ١٩٢٩/٣/٠٦

سادة السيد نيكولا سفير
سفير الولايات المتحدة الأمريكية

اشعر الى كتابكم تاريخ ١٩٢٩/٢/٦ الموجه الى دولة رئيس
الوزراء ووزير الخارجية بخصوص امكانية الحصول الى اتفاقية بين حكومة
الملكة الاردنية الهاشمية وحكومة الولايات المتحدة الامريكية للمسماح
لهواة الراديو والمرخصين من قبل بلدتهم بمارسة هوايتم وذلك بتشغيل
محطاتهم في البلد الاخر على اساس مبدأ العاملة بالمثل وحسب
ماورد في المادة (٤) من انظمة الراديو - جنيه ١٩٥٩
ارجوان اطليكم بموافقة حكومة المملكة الاردنية الهاشمية طبقاً
لبنود والمقترنات الواردة بكتابكم المشار اليه اعلاه والمحبته تالياً :-

١. يسمح لهواي الراديو والمرخص من قبل حكومته بمحروز رخصة بتشغيل
محطة راديو للهواه ان يزاول الهواي في البلد الاخر بعد الحصول
على رخصة مؤقتة من حكومة تلك البلد وذلك على اساس مبدأ العاملة
بالمثل تحت الشرط المذكرة أدناه .
٢. على الشخص المرخص من قبل حكومته ، وقبل ان يسمح له بتشغيل
محطته ان يتقدم بطلب الى السلطات الادارية المختصة في البلد
الاخر لاطلاعه الا ذنب بمارسة هوايته .
٣. تستطيع الجهة الادارية المعنوية في الحكومتين السطح برادر. فسي
في الفقره (٢) على ان تخضع الممارسة للشروط الـ زراها مناسبه بما

لها حل المأمور في أي وقت عراه الحكومة معاً .

أرجو انتشار الرسائل التبادل بين سفارة اتفاقية بين الحكومتين
وخاصمة للكتابة من قبل اي من الحكومتين بعد اعلان الاعمار المطابق
 بهذه المخصوص قبل ستة أشهر من قرار الكتابة .

وطلبت بذلك نايل الاخير

عمر
من ابراهيم
نهر الله طلاق للغرين المارجس

TRANSLATION

IN THE NAME OF GOD THE COMPASSIONATE THE MERCIFUL
THE HASHEMITE KINGDOM OF JORDAN
MINISTRY OF FOREIGN AFFAIRS

No. STD/35/1488

Date: March 11, 1979

The Honorable Nicholas Veliotes
Ambassador of the United States of America

Dear Sir:

In reference to your letter of February 6, 1979, addressed to His Excellency the Premier and Foreign Minister relating to the possibility of concluding an agreement between the Government of the Hashemite Kingdom of Jordan and the Government of the United States of America 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 4 of the Radio Regulations, Geneva, 1959, I should like to inform you of the approval of the Government of the Hashemite Kingdom of Jordan to the articles and proposals contained in your above-mentioned letter, which are stated as follows:

[For the English language text, see pp. 3783-3784.]

Please consider the messages exchanged between us as an agreement between the two Governments subject to termination by either Government by giving six months' notice in writing of its intention to terminate.

Accept the assurances of our highest consideration.

Hasan Ibrahim

Hasan Ibrahim

Minister of State for Foreign Affairs

FEDERAL REPUBLIC OF GERMANY

Express Mail Service

Agreement, with detailed regulations, signed at Bonn and Washington December 15, 1978 and January 22, 1979;

Approved and ratified by the President of the United States of America August 8, 1979;

Entered into force August 8, 1979;

Effective February 1, 1979

INTERNATIONAL EXPRESS MAIL/DATAPOST AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL ADMINISTRATION OF
THE FEDERAL REPUBLIC OF GERMANY

Article 1**Purpose of the Agreement**

This Agreement shall govern the exchange of International Express Mail/Datapost items between the Federal Republic of Germany and the United States, including any areas for which the postal administrations of these countries exercise International Express Mail/Datapost responsibilities.

Article 2**Charges to be collected from the sender**

Each postal administration shall fix the charges to be collected from senders for sending items in the service.

Article 3**Charges and fees to be collected from the addressee**

Each postal administration shall be authorized to collect from the addressee the customs duty and other applicable non-postal fees, if any, payable on items it delivers and a charge for the collection of such fees.

Article 4**Conditions of acceptance**

Provided that the contents do not come within the prohibitions listed in article 5, each item, to be admitted into the International Express Mail/Datapost service shall:

- be packed in a manner adapted to the nature of the contents and the conditions of transport;
- bear the name and address of the addressee and of the sender; and
- satisfy the conditions of weight and size fixed under article 6.

Article 5**Prohibitions**

1. The provisions governing prohibitions in the Universal Postal Convention,^[1] as enacted by the UPU Congress from time to time and adopted by the countries signatory to this Agreement, shall be applicable to the insertion of articles in International Express Mail/Datapost items.
2. Each postal administration shall communicate to the other the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing entry or transit of postal items in its service.

Article 6**Limits of size and weight**

1. The limits of size of each International Express Mail/Datapost item shall be the same as for letter post items in accordance with the Universal Postal Convention. Each item shall not exceed 15 kilograms in weight.
2. The postal administrations may agree by exchange of correspondence to change the size and weight limits established in section 1; however, the maximum weight limit shall in no event be increased in excess of 20 kilograms.

Article 7**Treatment of items wrongly accepted**

1. When an item containing an article prohibited under article 5 has been wrongly admitted to the post, the prohibited article shall be dealt with according to the legislation of the country of the postal administration establishing its presence.
2. When the weight or the dimensions of an item exceed the limits established under article 6, it shall be returned to the administration of origin if the regulations of the administration of destination do not permit delivery.

¹ TIAS 5881, 7150, 8231, 16 UST 1291, 22 UST 1056, 27 UST 345.

3. When a wrongly admitted item is neither delivered to the addressee nor returned to origin, the administration of origin shall be informed how the item has been dealt with and of the restriction of prohibition which required such treatment.

Article 8

General rules for delivery and customs clearance

1. Each postal administration shall, in accordance with its regulations for the type of service used, make every effort to effect delivery of each International Express Mail/Datapost item by the fastest means available.
2. Each postal administration shall make every effort to expedite the customs clearance of International Express Mail/Datapost items.
3. Required customs declarations shall be affixed to items so that they cannot become detached.
4. Each administration shall be authorized to submit International Express Mail/Datapost items to customs for inspection in accordance with the legislation of its country.

Article 9

Undeliverable items

1. After every reasonable effort to deliver an item has proved unsuccessful, the item shall be held at the disposal of the addressee for the period of retention provided by the regulations of the administration of destination.
2. An item refused by the addressee shall be returned immediately to the administration of origin.
3. Each undeliverable item shall be returned to the administration of origin through the International Express Mail/Datapost service.
4. Neither postal administration shall charge the other for the return of undeliverable items.

Article 10

Items arriving out of course and to be redirected

1. Each item arriving out of course shall be redirected to its proper destination by the

most direct route used by the administration which has received the item.

2. Each postal administration is entitled to collect from the other postal administration reimbursement for its conveyance costs incurred for such redirection.

Article 11

Withdrawal from the post

The sender of an item may, by contacting the administration of origin, request the return of such item, which request shall be honored by the administration of destination if it is notified in sufficient time before delivery.

Article 12

Inquiries

1. Each postal administration shall answer, in the shortest possible time, inquiries relating to any International Express Mail/Datapost item posted by the other postal administration.
2. Inquiries shall be accepted only within a period of four months from the day after that on which the item was posted.
3. This article does not authorize routine requests for confirmation of delivery.

Article 13

Allocation of surface costs for traffic imbalances

1. At the end of each year of this Agreement, the postal administration which has received a larger quantity of International Express Mail/Datapost items than it has sent during that year shall have the right to collect from the other administration, as compensation, an imbalance charge for each additional item received.
2. Each postal administration shall establish an imbalance charge per item which shall correspond to the costs of services.

3. Any adjustment of the imbalance charge must:
 - be communicated to the other administration at least three months in advance;
 - remain in force for at least one year.
4. No imbalance charge shall be collected unless the number of items received exceeds the number of items sent by 5 %, and exceeds the number of items sent by one thousand a year.
5. There shall be no imbalance charge assessed under the provisions of this article for the first 12 month period after the beginning of the service.

Article 14

Internal air conveyance dues

1. Each postal administration which provides air conveyance of items within its country shall be entitled to reimbursement of internal air conveyance dues at rates established in the provisions of the Universal Postal Convention, as enacted by the UPU Congress from time to time and adopted by the countries signatory to this Agreement which govern internal air conveyance dues.
2. Each administration which pays its airlines an internal air conveyance rate in excess of the rate established for AO/CP items under the Universal Postal Convention shall be authorized to collect from the other administration a supplemental rate to cover such additional payments; provided, however, that the sum of the rates established under this article shall not exceed the rate established for LC items under the Universal Postal Convention.

Article 15

Onward air conveyance

1. Each postal administration shall, upon request, provide onward air conveyance service to or from any country with which it exchanges International Express Mail/Datapost items, for items addressed to or originating in the other postal administration.
2. Each postal administration shall provide approximate onward air conveyance times to the postal administrations for which it performs onward air conveyance services.

3. An item to be forwarded shall comply with the conditions of mailability prescribed by each intermediate postal administration involved in its transmission.
4. For each item forwarded pursuant to this article, the postal administration providing onward air conveyance services shall be authorized to collect from the other postal administration the onward air conveyance rates established in article 111 of the Detailed Regulations of this Agreement. Such rates shall not exceed the rate established for LC items by the Universal Postal Convention, as enacted by the UPU Congress from time to time and adopted by the countries signatory to this Agreement.

Article 16

No additional rates, charges, or fees

The postal administrations may collect only the rates, charges, and fees established under this Agreement.

Article 17

Application of the Universal Postal Convention

The Universal Postal Convention or its Detailed Regulations, as enacted by the UPU Congress from time to time and adopted by the countries signatory to this Agreement shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement or its Detailed Regulations.

Article 18

Temporary suspension of service

1. Should extraordinary circumstances justify it, either postal administration may suspend temporarily its operation of the service.
2. Notice of such suspension shall be given immediately to the other postal administration.

Article 19**Detailed Regulations**

1. Details of implementation of this Agreement shall be governed by its Detailed Regulations.
2. The provisions of the Detailed Regulations may be amended, not inconsistently with this Agreement, by mutual consent by means of correspondence between officials of each postal administration who have been authorized to make such amendments.

Article 20**Arbitration**

Any dispute which arises between the postal administrations concerning the interpretation or application of this Agreement which cannot be resolved by the postal administrations to their mutual satisfaction, shall be settled by arbitration, following the arbitration procedures of the Universal Postal Union at the time that the dispute is submitted by a postal administration for arbitration. The arbitrators shall be chosen from the administrations which provide a service analogous to International Express Mail/Datapost service.

Article 21**Additional rules and regulations**

Each postal administration is authorized to adopt implementing rules and regulations for its internal operation of the service not inconsistent with this Agreement or its Detailed Regulations.

Article 22**Berlin clause**

This Agreement shall also apply to Land Berlin, provided that the Federal Minister of Posts and Telecommunications of the Federal Republic of Germany does not make a contrary declaration to the United States Postal Service within three months after the date of entry into force of this Agreement.

Article 23

Entry into force and duration of the Agreement

1. This Agreement shall enter into force on the date mutually agreed upon by the administrations, after it is signed by the authorized representatives of both administrations.^[1]
2. This Agreement shall expire twelve months after either administration notifies the other in writing of termination.

Done at Washington on JAN 22 1979

Done at Bonn on 15. 12. 78

In duplicate in the English and German languages, both texts being equally authentic.

The Federal Minister of Posts
and Telecommunications
of the Federal Republic of
Germany
By direction of the Minister



For the United States of America


Postmaster General

¹ Aug. 8, 1979.

² Scholl.

³ W F Bolger.

DETAILED REGULATIONS OF THE INTERNATIONAL
EXPRESS MAIL/DATAPOST AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE POSTAL ADMINISTRATION OF
THE FEDERAL REPUBLIC OF GERMANY

TIAS 9426

Article 101**Information to be supplied by the postal administrations****1. Each postal administration shall notify the other administration of:**

- the necessary information concerning customs or other regulations, as well as the prohibitions or restrictions governing the entry and transit of International Express Mail/Datapost items in the territory of its country and other areas for which it has International Express Mail/Datapost responsibility;
- an extract of provisions of its laws or regulations applicable to the conveyance of International Express Mail/Datapost items;
- the rates and dues established under the Agreement; and
- the forms, labels, and other documentation which it requires in the service.

2. Any change of the information mentioned in section 1 shall be communicated in writing immediately to the other administration.**Article 102****Address of the sender and of the addressee**

To be admitted for mailing, each item of International Express Mail/Datapost shall bear, in roman letters and arabic figures on the item itself or on a label firmly attached to it, the names and complete addresses of the sender and of the addressee.

Article 103**Scheduled service**

- 1. Each postal administration shall offer scheduled service on a contractual or licensing basis to customers who agree to use the service on a designated schedule to send items to designated addressees.**
- 2. Each postal administration shall provide the other postal administration with a schedule of approximate delivery times to each city or other location to which scheduled service is available, based upon the time schedules of the international flights used to carry scheduled items.**

3. For each scheduled service contract or license, the administration of origin shall provide the administration of destination with the following information at least ten days prior to commencing service pursuant to such contract or license:
 - the identification number of the customer contract or license, which number shall be indicated on each item sent;
 - the name and address of the designated addressee;
 - the days of the week designated by the customer as scheduled dispatch days;
 - the time of day delivery is requested; and
 - the airline and flight number to be used.

Article 104

Method of transmission

1. The exchange of International Express Mail/Datapost items between the two countries shall be effected by the exchange offices appointed by agreement between the postal administration.
2. International Express Mail/Datapost dispatches shall be made up in closed mails, and shall be accompanied by the air mail delivery bill and manifest forms required by these regulations.
3. The dispatches shall be enclosed in blue and orange International Express Mail/Datapost bags.
4. Each bag shall bear a label, designated by the administration of destination, clearly indicating the exchange office of destination.
5. Each bag label shall bear, either within its format or attached to it as a backing label, the blue and orange chevron which has been adopted as the International Express Mail/Datapost identification symbol.

Article 105

Manifests

1. An International Express Mail/Datapost manifest, in the form designated by each postal administration, shall accompany each dispatch.

2. Each item sent shall be listed separately on the manifest.
1. 3. The manifest shall clearly indicate that the dispatch contains International Express Mail/Datapost items.

Article 106

Air mail delivery bills

1. An air mail delivery bill, on Universal Postal Union form AV 7, shall accompany each dispatch.
2. The air mail delivery bill shall be clearly marked "International Express Mail" or "Datapost."

Article 107

Check of International Express Mail/Datapost

1. Upon receipt of an International Express Mail/Datapost dispatch, the administration of destination shall check the dispatch to confirm its conformity with the air mail delivery bill.
2. The contents of each dispatch shall be checked as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the manifest.

Article 108

Notification of irregularities

1. Any evidence of missing or damaged bags or items shall be reported to the administration of origin by telex and confirmed in writing.
2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

Article 109**Redirection of items arriving out of course**

The redirecting administration shall notify the administration of origin, by telex or telephone, of the details concerning the arrival and redirection of each item or bag arriving out of course.

Article 110**Return of items to origin**

Each postal administration which returns an item for any reason whatsoever shall give, either written by hand or by means of a stamped impression or a label on the item and on the letter bill which accompanies it, the reason for non-delivery.

Article 111**Onward air conveyance rates**

The onward air conveyance rates referred to in Article 15 of the Agreement shall be:

- 1.5 gold francs per tonne kilometer for the Federal Republic of Germany;
- one gold franc per tonne kilometer for the United States.

Article 112**Accounting, settlement of accounts**

The procedures for accounting and for the settlement of accounts shall be governed by the provisions covering accounting for air mail in the Detailed Regulations of the Universal Postal Convention, as enacted by the UPU Congress from time to time and adopted by the countries signatory to these Detailed Regulations.

□

Article 113**Alterations or amendments**

These Detailed Regulations may be altered or amended, not inconsistently with the Agreement, by mutual consent by means of correspondence between officials of each administration who have been authorized to make such amendments.

Article 114**Entry into force and duration of these Detailed Regulations**

These Detailed Regulations shall come into force on the same date as the International Express Mail/Datapost Agreement to which they refer.

These Detailed Regulations, and any amendments hereto pursuant to article 113 shall have the same duration as the International Express Mail/Datapost Agreement to which they refer.

Datapost-/International Express Mail-Abkommen

zwischen

der Postverwaltung der

Bundesrepublik Deutschland und dem

Postal Service der Vereinigten Staaten

von Amerika

Artikel 1**Zweck des Abkommens**

Dieses Abkommen regelt den Austausch von International Express Mail-/Datapost-Sendungen zwischen der Bundesrepublik Deutschland und den Vereinigten Staaten, einschließlich der Gebiete, in denen die Postverwaltung eines der beiden Länder für den International Express Mail-/Datapost-Dienst zuständig ist.

Artikel 2**Vom Absender zu entrichtende Gebühren**

Jede Postverwaltung legt die Gebühren fest, die vom Absender für International Express Mail-/Datapost-Sendungen zu entrichten sind.

Artikel 3**Vom Empfänger zu entrichtende Gebühren und Abgaben**

Jede Postverwaltung ist berechtigt, für Sendungen, die sie aushändigt, vom Empfänger Zoll- und gegebenenfalls andere anfallende nicht-postalische Abgaben sowie eine Einzugsgebühr zu erheben.

Artikel 4**Annahmebedingungen**

Jede Sendung, vorausgesetzt, daß ihr Inhalt nicht zu den in Artikel 5 aufgeführten nicht zugelassenen Gegenständen gehört, muß, um im International Express Mail-/Datapost-Dienst zugelassen zu werden,

- a) dem Inhalt und der Art der Beförderung entsprechend verpackt sein;
- b) mit der Anschrift des Empfängers und des Absenders versehen sein und
- c) den in Artikel 6 festgelegten Bestimmungen hinsichtlich des Gewichts und der Ausmaße entsprechen;

Artikel 5**Verbote**

1. Die Bestimmungen bezüglich nicht zugelassener Gegenstände, die im Weltpostvertrag, der vom Kongress des Weltpostvereins von Zeit zu Zeit in Kraft gesetzt und von den Unterzeichnerländern dieses Abkommens angenommen wird, enthalten sind, gelten auch für die Zulassung der Gegenstände im International Express Mail-/Datapost-Dienst.
2. Jede Postverwaltung teilt der anderen die notwendigen Auskünfte in bezug auf Zoll- oder andere Bestimmungen sowie die Verbote oder die Beschränkungen mit, die in bezug auf den Eintritt oder den Durchgang von Postsendungen in bzw. durch ihren Dienstbereich gelten.

Artikel 6**Begrenzungen der Maße und Gewichtsbeschränkungen**

1. Für die Maße der International Express Mail-/Datapost-Sendungen gelten die gleichen Begrenzungen wie für Briefsendungen, die im Weltpostvertrag festgelegt sind. Die einzelnen Sendungen dürfen das Höchstgewicht von 15 Kilogramm nicht überschreiten.
2. Die Postverwaltungen können durch Schriftverkehr übereinkommen, die unter 1. festgelegten Begrenzungen der Maße und Gewichtsbeschränkungen zu ändern; das Höchstgewicht darf jedoch unter keinen Umständen mehr als 20 Kilogramm betragen.

Artikel 7**Behandlung von irrtümlicherweise angenommenen Sendungen**

1. Wenn eine Sendung, die einen nach Artikel 5 nicht zugelassenen Gegenstand enthält, irrtümlicherweise zur Post zugelassen worden ist, wird der nicht zugelassene Gegenstand so behandelt, wie es den Rechtsvorschriften des Landes entspricht, dessen Postverwaltung den Gegenstand entdeckt.

2. Wenn das Gewicht oder die Maße einer Sendung die in Artikel 6 festgelegten Beschränkungen bzw. Begrenzungen überschreitet und wenn den Regelungen der Bestimmungsverwaltung zufolge die Zustellung nicht zulässig ist, wird die Sendung an die Absendeverwaltung zurückgesandt.
3. Wenn eine irrtümlicherweise zugelassene Sendung weder dem Empfänger zugestellt noch an den Absender zurückgesandt wird, wird der Absendeverwaltung mitgeteilt, wie die Sendung behandelt wurde und welche Verbotsbestimmung oder Beschränkung solch eine Behandlung erforderlich machte.

Artikel 8

Allgemeine Bestimmungen über die Zustellung und Zollabfertigung

1. Jede Postverwaltung bemüht sich, gemäß ihren Bestimmungen für den in Anspruch genommenen Dienst, jede International Express Mail-/Datapost-Sendung auf dem schnellstmöglichen Wege zuzustellen.
2. Jede Postverwaltung bemüht sich, die Zollabfertigung von International Express Mail-/Datapost-Sendungen so schnell wie möglich abzuwickeln.
3. Erforderliche Zollinhaltserklärungen sind haltbar an den Sendungen zu befestigen.
4. Jede Verwaltung ist berechtigt, International Express Mail-/Datapost-Sendungen gemäß ihrer nationalen Gesetzgebung der Zollprüfung zu unterwerfen.

Artikel 9

Unzustellbare Sendungen

1. Wenn jede angemessene Bemühung, eine Sendung zuzustellen, erfolglos ist, wird die Sendung während der Aufbewahrungsfrist, die nach den Vorschriften der Bestimmungsverwaltung vorgesehen ist, für den Empfänger bereithalten.
2. Eine Sendung, deren Annahme der Empfänger verweigert, ist sofort an die Absendeverwaltung zurückzusenden.

3. Jede unzustellbare Sendung wird durch den International Express Mail-/Datapost-Dienst an die Absendeverwaltung zurückgesandt.
4. Keine der beiden Postverwaltungen stellt der anderen Kosten für die Rücksendung unzustellbarer Sendungen in Rechnung.

Artikel 10

Irrtümlich zugegangene und weiterzuleitende Sendungen

1. Jede Sendung, die irrtümlicherweise zugeht, wird von der empfangenden Verwaltung auf dem von ihr benutzten direktesten Weg an den richtigen Bestimmungsort weitergeleitet.
2. Jede Postverwaltung hat das Recht, die Beförderungskosten, die durch eine solche Weiterleitung entstehen, von der anderen Postverwaltung vergütet zu bekommen.

Artikel 11

Zurückziehung von Sendungen

Der Absender einer Sendung kann, wenn er sich an die Absendeverwaltung wendet, um Rückgabe einer Sendung bitten; dieser Bitte entspricht die Verwaltung des Bestimmungslandes, wenn sie rechtzeitig vor der Auslieferung der Sendung benachrichtigt wird.

Artikel 12

Nachforschungen

1. Jede Postverwaltung beantwortet schnellstmöglich Anfragen bezüglich einer International Express Mail-/Datapost-Sendung, die von der anderen Postverwaltung abgesandt wurde.
2. Anfragen werden nur innerhalb von vier Monaten, gerechnet vom Tage nach der Einlieferung an, angenommen.

3. Dieser Artikel berechtigt nicht zu Routineanfragen zur Bestätigung der Auslieferung.

Artikel 13

Verrechnung der Kosten des Erdwegs bei Uneigentümlichkeiten des Verkehrs

1. Am Ende jedes Jahres, in dem das Abkommen in Kraft ist, hat die Postverwaltung, die in dem jeweiligen Jahr mehr International Express Mail-/Datapost-Sendungen empfangen als abgesandt hat, das Recht, für jede zusätzlich empfangene Sendung eine Ausgleichsgebühr als Vergütung von der anderen Verwaltung zu bekommen.
2. Jede Postverwaltung setzt eine Ausgleichsgebühr pro Sendung fest, die den Betriebskosten entspricht.
3. Jede Änderung der Ausgleichsgebühr muß
 - a) der anderen Verwaltung mindestens drei Monate vorher mitgeteilt werden;
 - b) mindestens ein Jahr lang Gültigkeit haben.
4. Die Ausgleichsgebühr wird nur vergütet, wenn die Zahl der empfangenen Sendungen um 5 Prozent höher liegt als die Zahl der abgesandten Sendungen und wenn mehr als tausend überschüssende Sendungen pro Jahr abgesandt werden.
5. Für die ersten zwölf Monate nach Einführung dieses Dienstes wird die in diesem Artikel vorgesehene Ausgleichsgebühr nicht vergütet.

Artikel 14

Vergütung für Beförderung auf dem Luftweg im Inland

1. Jede Postverwaltung, die Sendungen im eigenen Land auf dem Luftweg befördert, hat Anspruch auf eine Vergütung für Luftbeförderung im Inland, und zwar zu Vergütungssätzen wie sie in den Bestimmungen des Weltpostvertrages, der vom Kongress des Weltpostvereins von Zeit zu Zeit in Kraft gesetzt und von den Unterzeichnerländern dieses Abkommens angenommen wird, über Vergütungen für die Luftbeförderung im Inland festgelegt sind.

2. Jede Postverwaltung, die ihren Luftverkehrsgesellschaften für die Luftbeförderung im Inland eine höhere Vergütung als die im Weltpostvertrag für AO/CP Sendungen festgelegte zahlt, hat das Recht, von der anderen Postverwaltung eine zusätzliche Vergütung zu erhalten, um diese zusätzlichen Kosten zu decken; jedoch mit der Maßgabe, daß die Summe der in diesem Artikel vorgesehenen Vergütungen nicht höher sein darf als der im Weltpostvertrag für LC-Sendungen festgelegte Vergütungssatz.

Artikel 15

Weiterleitung auf dem Luftweg

1. Jede Postverwaltung vermittelt auf Verlangen die Weiterleitung von Sendungen auf dem Luftweg nach jedem oder aus jedem Land, mit dem sie International Express Mail-/Datapost-Sendungen austauscht, und die für die andere Postverwaltung bestimmt sind oder von dieser herrühren.
2. Jede Postverwaltung unterrichtet die Postverwaltungen, für die sie die Weiterleitung von Sendungen auf dem Luftweg vermittelt, über die ungefähren Weiterleitungszeiten der Luftwegbeförderung.
3. Eine weiterzuleitende Sendung muß den Bedingungen für die Postbeförderung jeder Zwischenverwaltung, die an der Beförderung beteiligt ist, entsprechen.
4. Die Postverwaltung, die die Weiterleitung auf dem Luftweg vermittelt, hat das Recht, für jede Sendung, die diesem Artikel gemäß befördert wird, den Vergütungssatz für die Weiterleitung auf dem Luftweg von den anderen Postverwaltungen zu bekommen, der in Artikel 111 der betrieblichen Regelungen zu diesem Abkommen festgelegt ist. Diese Vergütungssätze dürfen den Vergütungssatz für LC-Sendungen, der im Weltpostvertrag, wie er vom Kongress des Weltpostvereins von Zeit zu Zeit in Kraft gesetzt und von den Unterzeichnerländern dieses Abkommens angenommen wird, festgesetzt ist, nicht übersteigen.

Artikel 16

Keine zusätzlichen Vergütungssätze, Gebühren oder Abgaben

Die Postverwaltungen dürfen nur die in diesem Abkommen festgesetzten Vergütungssätze, Gebühren und Abgaben erheben.

Artikel 17**Anwendung des Weltpostvertrags**

Der Weltpostvertrag oder seine Vollzugsordnung, wie vom Kongress des Weltpostvereins von Zeit zu Zeit in Kraft gesetzt und von den Unterzeichnerländern dieses Abkommens angenommen, gelten gegebenenfalls analog für alle Fälle, die nicht ausdrücklich durch dieses Abkommen oder seine betrieblichen Regelungen geregelt sind.

Artikel 18**Vorübergehende Einstellung des Dienstes**

1. Jede der Postverwaltungen kann die Durchführung des Dienstes vorübergehend einstellen, wenn außergewöhnliche Umstände dies rechtfertigen.
2. Die andere Postverwaltung wird unverzüglich von einer solchen Einstellung benachrichtigt.

Artikel 19**Betriebliche Regelungen**

1. Einzelheiten der Durchführung dieses Abkommens sind in den betrieblichen Regelungen festgelegt.
2. Die Bestimmungen der betrieblichen Regelungen können, sofern dies nicht im Widerspruch zu diesem Abkommen steht, im gegenseitigen Einvernehmen durch Schriftverkehr zwischen Beamten jeder Postverwaltung, die dazu ermächtigt wurden, geändert werden.

Artikel 20**Schiedsverfahren**

Jede zwischen den Postverwaltungen entstehende Streitigkeit bezüglich der Auslegung oder Anwendung dieses Abkommens, die von den Postverwaltungen nicht zur beiderseitigen Zufriedenheit beigelegt werden kann, wird durch Schiedsspruch geschlichtet, gemäß dem Schiedsverfahren des Weltpostvereins, das zur Zeit, zu der die Streitigkeit von einer der Postverwaltungen zur schiedsrichterlichen Entscheidung vorgebracht wird,

gültig ist. Die Schiedsrichter werden von Verwaltungen ausgewählt, die einen dem International Express Mail-/Datapost-Dienst entsprechenden Dienst bereitstellen.

Artikel 21

Zusätzliche Regelungen und Bestimmungen

Jede Postverwaltung hat das Recht, Regelungen und Bestimmungen für die Durchführung des Dienstes im Inland festzulegen, die nicht im Widerspruch zu diesem Abkommen oder seinen betrieblichen Regelungen stehen.

Artikel 22

Berlin-Klausel

Dieses Abkommen gilt auch für das Land Berlin, sofern nicht der Bundesminister für das Post- und Fernmeldewesen der Bundesrepublik Deutschland gegenüber dem Postal Service der Vereinigten Staaten innerhalb von drei Monaten nach Inkrafttreten dieses Abkommens eine gegenseitige Erklärung abgibt.

Artikel 23

Inkrafttreten und Geltungsdauer des Abkommens

:

1. Dieses Abkommen tritt zu einem von beiden Verwaltungen vereinbarten Zeitpunkt in Kraft, nachdem es von den dazu ermächtigten Vertretern beider Verwaltungen unterzeichnet worden ist.
2. Dieses Abkommen tritt zwölf Monate nach der schriftlichen Kündigung einer der beiden Postverwaltungen außer Kraft.

Geschehen zu Bonn, am 15. 12. 78

Geschehen zu Washington, am JAN 22 1979

in zwei Urschriften, jede in deutscher und englischer Sprache, wobei jeder Wortlaut
gleichermaßen verbindlich ist.

Der Bundesminister für das
Post- und Fernmeldewesen
der Bundesrepublik Deutschland

Im Auftrag



For the United States of America



Postmaster General

Betriebliche Regelungen**zum****Datapost-/International Express Mail-Abkommen****zwischen****der Postverwaltung der****Bundesrepublik Deutschland****und dem****Postal Service der****Vereinigten Staaten****TIAS 9426**

Artikel 101

Informationen, die von den Postverwaltungen zu übermitteln sind

1. Jede Postverwaltung teilt der anderen Postverwaltung folgendes mit:
 - a) Zoll- oder sonstige Bestimmungen sowie Verbote oder Beschränkungen, die in bezug auf die Einfuhr und den Durchgang von Datapost-/International Express Mail-Sendungen in bzw. durch das eigene Land oder andere Gebiete, in denen sie für den Datapost-/International Express Mail-Dienst zuständig ist, gelten;
 - b) auszugsweise ihre gesetzlichen Bestimmungen oder Vorschriften, die bei der Beförderung von Datapost-/International Express Mail-Sendungen zur Anwendung kommen;
 - c) dem Abkommen gemäß festgesetzte Vergütungssätze und Gebühren und
 - d) Formblätter, Fahnen und sonstige Dokumente, die für den Dienst erforderlich sind.
2. Die andere Postverwaltung wird über jede Änderung der unter 1. gemachten Angaben unverzüglich schriftlich unterrichtet.

Artikel 102

Anschrift des Absenders und des Empfängers

Jede Datapost-/International Express Mail-Sendung muß, um für die Postbeförderung zugelassen zu werden, mit den Namen und vollständigen Adressen des Absenders und des Empfängers versehen sein; diese Anschriften sind in lateinischen Buchstaben und arabischen Ziffern entweder auf einem gut befestigten Aufschriftzettel oder direkt auf der Sendung anzugeben.

Artikel 103

Regelmäßiger Dienst

1. Kunden, die sich bereit erklären, den Dienst regelmäßig in Anspruch zu nehmen, um bestimmten Empfängern Sendungen zu schicken, bietet jede Postverwaltung den regelmäßigen Dienst auf der Grundlage von Verträgen oder Genehmigungen an.

2. Jede Postverwaltung stellt der anderen Postverwaltung einen ungefähren Zeitplan mit Angabe der Auslieferungszeiten für jede Stadt oder jeden Ort, für den der regelmäßige Dienst angeboten wird, zur Verfügung; dieser Plan basiert auf den Flugplänen für die internationalen Flüge, die zur Beförderung der regelmäßig zu versenden Sendungen benutzt werden.
3. Die Absendeverwaltung macht der Bestimmungsverwaltung zu jedem Vertrag oder jeder Genehmigung für einen regelmäßigen Dienst mindestens zehn Tage vor Aufnahme des vertrags- oder genehmigungsmäßigen Dienstes folgende Angaben:
 - i) Vertrags- oder Genehmigungsnummer des Kunden, die auf jeder Sendung anzugeben ist;
 - ii) Name und Adresse des vorgesehenen Empfängers;
 - iii) die Wochentage, die vom Kunden als regelmäßige Versandtage bestimmt wurden;
 - iv) die Tageszeit, zu der die Auslieferung erfolgen soll; und
 - v) die in Anspruch zu nehmende Luftverkehrsgesellschaft und die Flugnummer.

Artikel 104

Art der Übermittlung

1. Der Austausch von Datapost-/International Express Mail-Sendungen zwischen zwei Ländern erfolgt zwischen den von beiden Postverwaltungen vereinbarten Auswechselämtern.
2. Datapost-/International Express Mail-Kartenschlüsse sind als geschlossene Kartschlüsse zu fertigen. Sie werden von dem Luftpost-Übergabenachweis und den nach diesen Bestimmungen erforderlichen Formblättern begleitet.
3. Zur Fertigung der Kartenschlüsse sind blau und orangefarbene Datapost-/International Express Mail-Säcke zu verwenden.
4. Jeder Sack wird mit einer von der Bestimmungsverwaltung bestimmten Fahne versehen, auf der deutlich das Eingangs-Auswechselamt angegeben ist.
5. Jede Sackfahne ist mit den blau-orangefarbenen Streifen, die das Symbol des Datapost-/International Express Mail-Dienstes sind, zu kennzeichnen; dies geschieht

entweder auf der Fahne selbst oder auf einem daran befestigten Anhänger.

Artikel 105

Begleitpapiere

1. Ein Datapost-/International Express Mail-Formblatt in der von jeder Postverwaltung bestimmten Form begleitet jeden Kartenschluß.
2. Jede Sendung wird gesondert auf dem Formblatt aufgeführt.
3. Auf dem Formblatt wird deutlich vermerkt, daß der Kartenschluß Datapost-/International Express Mail-Sendungen enthält.

Artikel 106

Luftpost-Übergabenachweise

1. Jedem Kartenschluß wird ein Luftpost-Übergabenachweis auf einem Formblatt AV 7 des Weltpostvereins beigelegt.
2. Der Luftpost-Übergabenachweis trägt deutlich die Aufschrift "International Express Mail" oder "Datapost"

Artikel 107

Prüfung der Datapost/International Express Mail

1. Die Bestimmungsverwaltung prüft den eingegangenen Datapost-/International Express Mail-Kartenschluß, um festzustellen, ob er mit dem Luftpost-Übergabenachweis übereinstimmt.
2. Der Inhalt jedes Kartenschlusses ist von einem durch die Bestimmungsverwaltung dazu bestimmten Amt so bald als möglich zu prüfen, um festzustellen, ob er mit den Angaben auf dem Formblatt übereinstimmt.

Artikel 108**Meldung von Unregelmäßigkeiten**

1. Die Absendeverwaltung wird fernschriftlich mit schriftlicher Bestätigung vom Verlust oder der Beschädigung von Säcken oder Sendungen benachrichtigt.
2. Alle übrigen, in Verbindung mit Unregelmäßigkeiten getroffenen Maßnahmen unterliegen den Vorschriften der Bestimmungsverwaltung.

Artikel 109**Weiterleitung fehlgeleiteter Sendungen**

Die weiterleitende Verwaltung benachrichtigt die Absendeverwaltung fernschriftlich oder fernmündlich über Einzelheiten des Zugangs und der Weiterleitung jeder irrtümlicherweise zugegangenen Sendung oder jedes irrtümlicherweise zugegangenen Sackes.

Artikel 110**Rücksendung von Sendungen an den Absender**

Jede Postverwaltung, die aus irgendeinem Grund eine Sendung zurücksendet, gibt entweder durch handschriftliche Vermerke, durch Stempelaufdruck oder durch einen Aufkleber auf der Sendung und auf der begleitenden Briefliste den Grunde der Unzustellbarkeit an.

Artikel 111**Vergütungssätze für die Weiterleitung auf dem Luftweg**

Die in Artikel 15 des Abkommens vorgesehenen Vergütungssätze für die Weiterleitung auf dem Luftweg betragen:

- a) 1,5 Goldfranken pro Tonnen/Kilometer für die Bundesrepublik Deutschland;
- b) 1 Goldfranken pro Tonnen/Kilometer für die Vereinigten Staaten.

Artikel 112**Abrechnung, Begleichung der Rechnungen**

Die Verfahren für die Abrechnung und die Begleichung der Rechnungen richten sich nach den Bestimmungen über die Abrechnung für Luftpost in der Vollzugsordnung des Weltpostvertrages, wie vom Kongress des Weltpostvereins von Zeit zu Zeit in Kraft gesetzt und von den Unterzeichnerländern dieser betrieblichen Regelungen angenommen.

Artikel 113**Änderungen oder Ergänzungen**

Die betrieblichen Regelungen können, sofern dies nicht im Widerspruch zum Abkommen steht, im gegenseitigen Einvernehmen durch Schriftwechsel zwischen Beamten jeder Verwaltung, die dazu ermächtigt wurden, geändert oder ergänzt werden.

Artikel 114**Inkrafttreten und Geltungsdauer dieser betrieblichen Regelungen**

1. Diese betrieblichen Regelungen treten am selben Tag in Kraft wie das Datapost-/International Express Mail-Abkommen, auf das sie sich beziehen.
2. Diese betrieblichen Regelungen, einschließlich jeglicher nach Artikel 113 vorgenommener Änderungen, haben dieselbe Geltungsdauer wie das Datapost-/International Express Mail-Abkommen, auf das sie sich beziehen.

The foregoing Agreement between the United States of America and the Federal Republic of Germany for the exchange of International Express Mail/Datapost items and the Detailed Regulations of the Agreement have been negotiated and concluded with my advice and consent and are hereby approved and ratified.

In testimony whereof I have caused the seal of the United States of America to be hereunto affixed.

[SEAL]

JIMMY CARTER

By the President

CYRUS VANCE

Secretary of State

Washington, D C., August 8, 1979

REPUBLIC OF KOREA
Air Transport Services

*Agreement amending the agreement of April 24, 1957,
as amended.*

Effectuated by exchange of notes

Signed at Seoul March 22, 1979;

Entered into force March 22, 1979

With exchange of letters

Signed at Seoul March 14 and 22, 1979.

And related note.

The American Ambassador to the Korean Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 77

March 22, 1979

Excellency:

I have the honor to refer to the negotiations held in Washington from September 18 to September 22, 1978 between representatives of the Government of the United States of America and the Government of the Republic of Korea concerning air transport relations between the two countries, and to propose, on behalf of my Government, that the Memorandum of Understanding of September 22, 1978, a copy of which is hereto attached, be accepted as an amendment of the US-Korea Air Transport Agreement of April 24, 1957, as amended on March 26, 1971.^[1]

If your Government agrees to the foregoing proposal, I have the honor to propose that this note and your reply to that effect constitute an agreement between the two Governments which shall enter into effect on the date of your reply.

Accept, Excellency the renewed assurances of my highest consideration.

Enclosure

Wells Ryley^[2]

His Excellency

Tong Jin Park

Minister of Foreign Affairs

Seoul

¹ TIAS 3807, 7083, 8 UST 549; 22 UST 466.

² William Gleysteen, Jr.

[Footnotes added by the Department of State.]

MEMORANDUM OF UNDERSTANDING

Delegations representing the Governments of the Republic of Korea and the United States of America met in Washington from September 18-22, 1978 to negotiate an expansion in the air transport opportunities for the airlines of both countries.

Because both Governments recognize the principle of fair and equal opportunity for their airlines as reflected in the Air Transport Services Agreement of 1957, and

Because both Governments realize the importance of promoting an international aviation system based on fair competition among airlines, and

Because it is the intention of both Governments to make it possible for their airlines to offer the traveling and shipping public low prices, competitive services and increased opportunities for charter air services, and

Because both Governments wish to remove as many restrictions as possible and to afford opportunity for the greatest expansion of air services.

The two delegations agreed to recommend to their Governments that the following provisions be confirmed by an exchange of diplomatic notes, which would then constitute an amendment to the Air Transport Services Agreement of 1957 (as amended)

1. Pro-Competitive Pricing Provisions

(A) "Price or Pricing" means the fare, rate or price and conditions or terms of its availability charged or to be charged by an airline or its agents for the public transport of passengers, baggage and/or cargo (excluding mail).

(B) The Parties desire to facilitate the expansion of international air transportation opportunities over the routes specified in the Route Schedule attached to the Agreement, as well as in charter air transportation. This objective can best be achieved by making it possible for airlines to offer the traveling and shipping public a variety of service options at the lowest prices that are not predatory or discriminatory. To achieve this objective, each Party shall encourage individual airlines to develop and implement competitive prices. Accordingly, each Party shall allow airlines to set prices based on commercial considerations in the marketplace, and agrees that governmental intervention should be limited to prevention of predatory or discriminatory prices, protection of consumers from prices which are unduly high due to the abuse of dominant position, or protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

(C) Each Party may require notification or filing with its aeronautical authorities of prices to be charged by designated airlines of the other Party. If such notification

or filing is required to be filed by either or both Parties, such notification or filing shall be required no more than forty-five (45) days before the proposed date of effectiveness in the case of passenger prices, and no more than sixty (60) days before the proposed date of effectiveness in the case of cargo prices. Each Party shall give sympathetic consideration to notifications or filings on shorter notice than set forth above as required to enable designated airlines to respond to competitive offerings. If either Party chooses to require a notification or filing of prices, these requirements shall not discriminate among the airlines of either Party and airlines of third countries. Neither Party shall require the notification or filing by a designated airline of the other Party or by airlines of third countries of prices charged by charterers to the public for traffic originating in the territory of that other Party

(D) If either Party is dissatisfied with a price that is filed, proposed, or continued in effect for the carriage of scheduled or charter traffic between the United States and Korea, it shall notify the other Party as soon as possible. In the case of a proposed price, such notice of dissatisfaction shall be made to the other Party within 30 days of receiving notification or filing of the price. Either Party may then request consultations which shall be held as soon as possible, and in no event later than 30 days from receipt of the request

The Parties shall continue to cooperate in securing the airline accounting information necessary for reasoned resolution of pricing consultations.

(E) Neither Party shall take unilateral action to prevent the inauguration or continuation of prices filed, proposed, or in effect for traffic between the United States and Korea. If a Party has expressed dissatisfaction with a price and requests consultations in accordance with Paragraph (D) of this section, the Parties shall meet and endeavor to reach an agreement. Prior to and during such consultations, the prices at issue shall go into effect as proposed, or continue in effect, as the case may be. After consultations, unless mutual agreement is reached between the Parties to disapprove the prices in question, they shall be introduced or continue in effect as filed or proposed. If the Parties agree to disapprove a price, both Parties shall use their best efforts to prevent the implementation or continuation of the price that was mutually disapproved.

(F) Any airline may, upon its effectiveness, immediately match any lower price filed, proposed, continued or offered by any airline for scheduled or charter traffic between the United States and Korea and between the territory of the other Party and third countries. For these purposes, the term "match" includes the right to meet a price, with either an identical or substantially similar price.

(G) Paragraphs (D), (E) and (F) above apply equally to prices of the designated airlines of either Party and of airlines of third countries carrying traffic between the United States and Korea. The phrase "traffic between the United States and Korea" as used herein and in paragraphs (D), (E) and (F) includes traffic carried on an intra-line or interline basis, including service via or beyond to third countries, for scheduled or charter air transportation.

(H) Notwithstanding paragraph (E) of this section, either Party may take action through December 31, 1979 to prevent the continuation of a price, if it continues to believe that such price is predatory, discriminatory, or an abuse of dominant position. Such action may only be undertaken following timely consultations with the other Party, pursuant to paragraph (E) of this section. It is understood that during such consultations such price shall be permitted to become effective in the case of a proposed price, or to continue in effect, in the case of an existing price. The Parties shall exercise their powers under this paragraph only in exceptional circumstances and in a manner consistent with paragraph (B) above.

2. Charter Air Services

(A) An airline or airlines of a Party designated for charter air services shall be permitted to operate charter

air services in accordance with the rules applicable to charter traffic now or hereafter published by the aeronautical authorities of the Party in which the charter traffic originated, or in accordance with waivers of such rules granted for appropriate reasons. When such rules of one Party apply more restrictive terms, conditions, or limitations to one, or more, of its designated airlines, the designated airlines of the other Party shall be subject to the least restrictive of such terms, conditions or limitations. Moreover, if the aeronautical authorities of either Party promulgate rules applicable to charter traffic which apply different conditions to different countries, each Party shall apply the most liberal rule to the designated airlines of the other Party.

(B) Each Party grants to the other Party the right for the designated airlines of that other Party to uplift and discharge international charter traffic in passengers (and their accompanying baggage) and cargo at any point or points in the territory of the first Party for carriage between such points and any point or points in the territory of the other Party, either directly or with stopover at points outside the territory of either Party or with carriage of stopover or transiting traffic to points beyond the territory of the first Party.

(C) Charter Traffic.

(i) originating outside the territory of both Parties, or

(ii) carried by an airline of one Party,
originating in the territory of the other Party,
and having a traffic stop beyond the territory of
the first Party without an intermediate stopover
in the territory of the first Party of at least two
consecutive nights,
shall not be covered by this Understanding. However, each
Party shall consider application by designated airlines of the
other Party to carry such traffic on the basis of comity and
reciprocity.

(D) Each Party shall minimize the administrative burdens
of filing requirements and procedures on passenger or cargo
charterers and designated airlines of the other Party.

(E) A designated airline of one Party proposing to carry
charter traffic originating in the territory of the other Party
shall comply with the applicable rules of that other Party.

(F) Neither Party shall require a designated airline
of the other Party, in respect of the carriage of charter
traffic originating in the territory of that other Party, to
submit more than a declaration of conformity with the rules
applicable to charter traffic of that other Party or of a
waiver of these rules granted by the aeronautical authorities
of that other Party.

(G) Notwithstanding paragraph (F) above, each Party may
require that a designated airline of the other Party provide

TIAS 9427

such advance information with regard to flights as is essential for customs, airport, and air traffic control purposes

(H) Designated airlines shall comply with established procedures in regard to airport slotting and shall provide prior notification of flights or series of flights to the relevant authorities if so required.

(I) Neither Party shall require prior approval of flights or notifications of information relating thereto by designated airlines of the other Party, except as provided in paragraphs

(E), (F), (G), and (H) above.

3. Ground Handling Provisions

Each designated airline may perform its own ground handling in the territory of the other Party ("self-handling") or, at its option, select among competing agents for such services. These rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines; charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services if self-handling were possible.

4. Fair Competitive Practices

Each Party shall take appropriate action within its jurisdiction to eliminate all forms of discrimination or

unfair competitive practices affecting the airlines of either Party, including, but not limited to, restrictions upon the sale of air transportation, the payment for goods, services or transactions, or the repatriation of excess currencies by airlines.

5. Multiple Designation

(A) Each Party shall have the right to designate airlines to exercise charter air services pursuant to section 2 of this Understanding.

(B) The right to designate another airline or airlines in addition to those already designated as provided for in Article 3 of the Air Transport Services Agreement of 1957 (as amended) is hereby reaffirmed.

6. Route Description

(A) An airline or airlines designated by the Government of the Republic of Korea shall be entitled to operate air services on each of the air routes specified, in both directions, and to make scheduled landings in the United States at the points specified in this paragraph.

(1) From the Republic of Korea via points in Japan to Honolulu^{1/} and Los Angeles.

(2) From the Republic of Korea to Anchorage^{2/} and New York City ^{3/}

(B) An airline or airlines designated by the Government of the United States of America shall be entitled to operate air services on each of the air routes specified, in both directions and to make scheduled landings in the Republic of Korea.

From the United States of America via intermediate points to points in the Republic of Korea and beyond.

(C) Each designated airline may, on any or all international air services and at its option, operate flights in either or both directions, serve points on the routes in any order, and omit stops at any point or points without loss of any right to uplift or discharge traffic otherwise permissible under this Agreement, provided the international air service begins or terminates in the territory of the Party which has designated the airline.

^{1/} With the exception of all-cargo/mail flights, all flights which serve Los Angeles shall also serve Honolulu until December 31, 1979, or until the Government of the Republic of Korea waives its right to take action under section 1.(H) above, whichever occurs first.

^{2/} Stopover privileges only

^{3/} Effective January 1, 1980 or at such time as the Government of the Republic of Korea waives its right to take action under section 1.(H) above, whichever occurs first.

(D) Each designated airline may, on any or all flights and at its option, operate flights on any segment or segments of the routes described in paragraph (A) or (B) above without any limitation as to change in type or number of aircraft operated, whether or not traffic rights are available.

The Korean Minister of Foreign Affairs to the American Ambassador

MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA

March 22, 1979

Excellency.

I have the honour to acknowledge the receipt of Your Excellency's note of today's date which reads as follows

"I have the honor to refer to the negotiations held in Washington from September 18 to September 22, 1978 between representatives of the Government of the United States of America and the Government of the Republic of Korea concerning air transport relations between the two countries, and to propose, on behalf of my Government, that the Memorandum of Understanding of September 22, 1978, a copy of which is hereto attached, be accepted as an amendment of the US-Korea Air Transport Agreement of April 24, 1957, as amended on March 26, 1971.

If your Government agrees to the foregoing proposal, I have the honor to propose that this note and your reply to that effect constitute an agreement between the two Governments which shall enter into effect on the date of your reply.

His Excellency
William H. Gleysteen Jr.
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Seoul

MEMORANDUM OF UNDERSTANDING

Delegations representing the Governments of the Republic of Korea and the United States of America met in Washington from September 18 - 22, 1978 to negotiate an expansion in the air transport opportunities for the airlines of both countries.

Because both Governments recognize the principle of fair and equal opportunity for their airlines as reflected in the Air Transport Services Agreement of 1957, and

Because both Governments realize the importance of promoting an international aviation system based on fair competition among airlines, and

Because it is the intention of both Governments to make it possible for their airlines to offer the traveling and shipping public low prices, competitive services and increased opportunities for charter air services, and

Because both Governments wish to remove as many restrictions as possible and to afford opportunity for the greatest expansion of air services,

The two delegations agreed to recommend to their Governments that the following provisions be confirmed by an exchange of diplomatic notes, which would then constitute an amendment to the Air Transport Services Agreement of 1957(as amended).

1. Pro-Competitive Pricing Provisions

(A) "Price or Pricing" means the fare, rate or price and conditions or terms of its availability charged or to be charged by an airline or its agents for the public transport of passengers, baggage and/or cargo (excluding mail).

(B) The Parties desire to facilitate the expansion of international air transportation opportunities over the routes specified in the Route Schedule attached to the Agreement, as well as in charter air transportation. This

objective can best be achieved by making it possible for airlines to offer the traveling and shipping public a variety of service options at the lowest prices that are not predatory or discriminatory. To achieve this objective, each Party shall encourage individual airlines to develop and implement competitive prices. Accordingly, each Party shall allow airlines to set prices based on commercial considerations in the marketplace, and agrees that governmental intervention should be limited to prevention of predatory or discriminatory prices, protection of consumers from prices which are unduly high due to the abuse of dominant position, or protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

(C) Each Party may require notification or filing with its aeronautical authorities of prices to be charged by designated airlines

of the other Party. If such notification or filing is required to be filed by either or both Parties, such notification or filing shall be required no more than forty-five (45) days before the proposed date of effectiveness in the case of passenger prices, and no more than sixty (60) days before the proposed date of effectiveness in the case of cargo prices. Each Party shall give sympathetic consideration to notifications or filings on shorter notice than set forth above as required to enable designated airlines to respond to competitive offerings. If either Party chooses to require a notification or filing of prices, these requirements shall not discriminate among the airlines of either Party and airlines of third countries. Neither Party shall require the notification or filing by a designated airline of the other Party or by airlines of third countries of prices charged by charterers to the public for traffic originating in the territory of that other Party.

(D) If either Party is dissatisfied with a price that is filed, proposed, or continued in effect for the carriage of scheduled or charter traffic between the United States and Korea, it shall notify the other Party as soon as possible. In the case of a proposed price, such notice of dissatisfaction shall be made to the other Party within 30 days of receiving notification or filing of the price. Either Party may then request consultations which shall be held as soon as possible, and in no event later than 30 days from receipt of the request. The Parties shall continue to cooperate in securing the airline accounting information necessary for reasoned resolution of pricing consultations.

(E) Neither Party shall take unilateral action to prevent the inauguration or continuation of prices filed, proposed, or in effect for traffic between the United States and Korea. If a Party has expressed dissatisfaction with a price and requests consultations in accordance with

Paragraph (D) of this section, the Parties shall meet and endeavor to reach an agreement. Prior to and during such consultations, the prices at issue shall go into effect as proposed, or continue in effect, as the case may be. After consultations, unless mutual agreement is reached between the Parties to disapprove the prices in question, they shall be introduced or continue in effect as filed or proposed. If the Parties agree to disapprove a price, both Parties shall use their best efforts to prevent the implementation or continuation of the price that was mutually disapproved.

(F) Any airline may, upon its effectiveness, immediately match any lower price filed, proposed, continued or offered by any airline for scheduled or charter traffic between the United States and Korea and between the territory of the other Party and third countries. For these purposes, the term "match" includes the right to meet a price, with either an identical or substantially similar price.

(G) Paragraphs (D), (E) and (F) above apply equally to prices of the designated airlines of either Party and of airlines of third countries carrying traffic between the United States and Korea. The phrase "traffic between the United States and Korea" as used herein and in paragraphs (D), (E) and (F) includes traffic carried on an intra-line or interline basis, including service via or beyond to third countries, for scheduled or charter air transportation.

(H) Notwithstanding paragraph (E) of this section, either Party may take action through December 31, 1979 to prevent the continuation of a price, if it continues to believe that such price is predatory, discriminatory, or an abuse of dominant position. Such action may only be undertaken following timely consultations with the other Party, pursuant to paragraph (E) of this section. It is understood that during such consultations such price shall be

permitted to become effective in the case of a proposed price, or to continue in effect, in the case of an existing price. The Parties shall exercise their powers under this paragraph only in exceptional circumstances and in a manner consistent with paragraph (B) above.

2. Charter Air Services

(A) An airline or airlines of a Party designated for charter air services shall be permitted to operate charter air services in accordance with the rules applicable to charter traffic now or hereafter published by the aeronautical authorities of the Party in which the charter traffic originated, or in accordance with waivers of such rules granted for appropriate reasons. When such rules of one Party apply more restrictive terms, conditions, or limitations to one, or more, of its designated airlines, the designated airlines of the other Party shall be subject to the least restrictive

of such terms, conditions or limitations. Moreover, if the aeronautical authorities of either Party promulgate rules applicable to charter traffic which apply different conditions to different countries, each Party shall apply the most liberal rule to the designated airlines of the other Party.

(B) Each Party grants to the other Party the right for the designated airlines of that other Party to uplift and discharge international charter traffic in passengers (and their accompanying baggage) and cargo at any point or points in the territory of the first Party for carriage between such points and any point or points in the territory of the other Party, either directly or with stopover at points outside the territory of either Party or with carriage of stopover or transiting traffic to points beyond the territory of the first Party.

(C) Charter Traffic:

- (i) originating outside the territory of both Parties, or

(ii) carried by an airline of one Party, originating in the territory of the other Party, and having a traffic stop beyond the territory of the first Party without an intermediate stopover in the territory of the first Party of at least two consecutive nights;

shall not be covered by this Understanding.

However, each Party shall consider application by designated airlines of the other Party to carry such traffic on the basis of comity and reciprocity.

(D) Each Party shall minimize the administrative burdens of filing requirements and procedures on passenger or cargo charterers and designated airlines of the other Party.

(E) A designated airline of one Party proposing to carry charter traffic originating in the territory of the other Party shall comply with the applicable rules of that other Party.

(F) Neither Party shall require a designated airline of the other Party, in respect of the carriage of charter traffic originating in the territory of that other Party, to submit more than a declaration of conformity with the rules applicable to charter traffic of that other Party or of a waiver of these rules granted by the aeronautical authorities of that other Party.

(G) Notwithstanding paragraph (F) above, each Party may require that a designated airline of the other Party provide such advance information with regard to flights as is essential for customs, airport, and air traffic control purposes.

(H) Designated airlines shall comply with established procedures in regard to airport slotting and shall provide prior notification of flights or series of flights to the relevant authorities if so required.

TIAS 9427

(I) Neither Party shall require prior approval of flights or notifications of information relating thereto by designated airlines of the other Party, except as provided in paragraphs (E), (F), (G), and (H) above.

3. Ground Handling Provisions

Each designated airline may perform its own ground handling in the territory of the other Party ("self-handling") or, at its option, select among competing agents for such services. These rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines, charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services if self-handling were possible.

4. Fair Competitive Practices

Each Party shall take appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices

..

affecting the airlines of either Party, including, but not limited to, restrictions upon the sale of air transportation, the payment for goods, services or transactions, or the repatriation of excess currencies by airlines.

5. Multiple Designation

(A) Each Party shall have the right to designate airlines to exercise charter air services pursuant to section 2 of this Understanding.

(B) The right to designate another airline or airlines in addition to those already designated as provided for in Article 3 of the Air Transport Services Agreement of 1957 (as amended) is hereby reaffirmed.

6. Route Description

(A) An airline or airlines designated by the Government of the Republic of Korea shall be entitled to operate air services on each of the air routes specified, in both directions, and to make scheduled landings in the United States at the points specified in this paragraph.

- (1) From the Republic of Korea via points in Japan to Honolulu^{1/} and Los Angeles.
- (2) From the Republic of Korea to Anchorage^{2/} and New York City.^{3/}
- (B) An airline or airlines designated by the Government of the United States of America shall be entitled to operate air services on each of the air routes specified, in both directions and to make scheduled landings in the Republic of Korea:

From the United States of America via intermediate points to points in the Republic of Korea and beyond.

-
- 1/ With the exception of all-cargo/mail flights, all flights which serve Los Angeles shall also serve Honolulu until December 31, 1979, or until the Government of the Republic of Korea waives its right to take action under section 1.(H) above, whichever occurs first.
- 2/ Stopover privileges only.
- 3/ Effective January 1, 1980 or at such time as the Government of the Republic of Korea waives its right to take action under section 1.(H) above, whichever occurs first.

(C) Each designated airline may, on any or all international air services and at its option, operate flights in either or both directions, serve points on the routes in any order, and omit stops at any point or points without loss of any right to uplift or discharge traffic otherwise permissible under this Agreement, provided the international air service begins or terminates in the territory of the Party which has designated the airline.

(D) Each designated airline may, on any or all flights and at its option, operate flights on any segment or segments of the routes described in paragraph (A) or (B) above without any limitation as to change in type or number of aircraft operated, whether or not traffic rights are available."

I have further the honour to confirm on behalf of the Government of the Republic of Korea that the above proposal is acceptable to the Government of the

Republic of Korea and Your Excellency's note and this reply thereto shall constitute an agreement between our two Governments which shall enter into force from the date of this reply.

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

A handwritten signature in black ink, appearing to read "G. J. Park". The signature is fluid and cursive, with a horizontal line underneath it.

Minister of Foreign Affairs

Seoul, Korea

March 14, 1979

Dear Mr Minister:

The following letter shall be considered an integral part of the Memorandum of Understanding between our two governments signed on September 22, 1978, in Washington, D.C.

Recent discussions have taken place between representatives of the Government of the Republic of Korea and the United States concerning the interpretation of Section 3 of the Memorandum of Understanding of September 22, 1978, that will amend and supplement the US-Korea Air Transport Agreement of 1957, as amended.

Section 3 of this Memorandum allows airlines to perform their own ground handling of passengers and cargo in the territory of the other party. It is understood that the provisions of Section 3 of this Memorandum are fully reciprocal.

The United States Government recognizes that self-handling of both inbound and outbound cargo may not be immediately possible at the newly constructed common cargo terminal at Kimpo International Airport. While Section 3 of the MOU allows airlines to perform full self-handling, nonetheless, the United States Government is prepared on an interim two-year basis to accept a situation whereby US airlines will have the option of complete self-handling only of outbound cargo (Korean export traffic) at the new cargo terminal at Kimpo.

His Excellency
Tong Jin Park
Minister of Foreign Affairs
Seoul

The United States Government further understands that the Government of the Republic of Korea undertakes to construct, or to allow an airline or airlines to construct an additional cargo facility at Kimpo with space adequate for existing and projected needs, so that US airlines will be able, at their option, to self-handle cargo, both inbound and outbound. It further understands that this additional cargo facility shall be available no later than two years from the date of the exchange of notes implementing the amendment of the air transport agreement.

For general purposes of clarification, the United States Government defines cargo self-handling as the ability to handle and process all the import and export traffic and paperwork, and deal directly and freely with all customers and government agencies, including customs. For specific operations at Kimpo International Airport, the United States Government further understands that at the newly constructed common terminal, self-handling, for those airlines which choose to self-handle, will include but will not be limited to the following conditions.

--All ramp handling activities shall be under the control of the airline. This includes control of the physical movement of all traffic that either arrives or departs on US airlines, and control of all equipment that is necessary to perform this function.

--Export space will be allocated to all presently designated airlines in the newly constructed cargo terminal in proportion to the percentage of export cargo which they handled in the previous year (Recognizing that Northwest Airlines was on strike for three and one half months of 1978, appropriate adjustments will be made in its allocation of export space so that its proportion of the allocated space will more closely reflect its historical share of the export market) Appropriate adjustments will be made for airlines to be designated in the future. Allocation of space for complete self-handling in the additional cargo facility to be completed within two years will be on the basis of the needs and desires of the airlines.

--Within the export space allotted to each operating airline within the cargo terminal, each airline will be allowed to utilize its own personnel and equipment. Airlines may undertake sorting, palletizing, storing, and staging within their own areas. There will be a common area at the truck side of the terminal where customs and security clearance operations will be performed. If the airlines desire to interface with customs and security personnel, they shall be allowed to handle all assigned cargo from the truck docking area to the air ramp docking area in the export side of the terminal. That portion of the common area in front of the airline areas shall be considered as the airlines own area and shall not be considered common area. This interface with customs inspection personnel shall be performed in the assigned airline areas by having customs personnel perform their functions in the allocated airline areas.

--Rental fees charged the airlines shall be consistent with the scale of rental fees in the rest of the cargo facility. As for other fees, airlines will be charged only for those services they actually use, and those fees shall be charged consistent with the provisions of Article 7(A) of the US-Korean Air Transport Services Agreement of 1957

--Airlines shall be allowed to install any equipment which they feel is necessary for the safe and efficient operation of the cargo terminal and the ramp, including modification of the truck dock if necessary.

--Airlines shall be allowed to handle all transit cargo in their export area that either arrives or is departing on their aircraft. In addition, export cargo that is received but cannot depart on the same day must be allowed to remain in the airlines' assigned area. If an export customs bond is required for this activity, then the entire area must be bonded.

--With respect to inbound cargo, US airlines may utilize their own personnel and equipment and control the movement of cargo from the aircraft

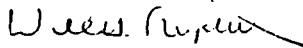
to transfer to the bonded carrier at the air ramp, or to the common breakdown area, or to their own assigned area where the cargo will be transferred either to the government bonded warehouse within the terminal, or to a bonded carrier

--US airlines will process all documentation with regard to the cargo assigned to them and may not handle or process documentation of other airlines unless that cargo is to depart on US airlines

It is understood that whatever restrictions are placed upon the self-handling of inbound cargo during this interim two-year period will be removed upon the completion of the additional cargo terminal so that US airlines will be able to have complete self-handling of inbound and outbound cargo in one area in the new building

I shall be grateful to have your confirmation that the above correctly describes the understanding our two governments have reached on this subject.

Yours sincerely,



William H. Gleysteen, Jr
Ambassador

MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA

March 22, 1979

Dear Mr. Ambassador,

With reference to your letter of March 14, 1979 concerning the interpretation of Section 3 of the Memorandum of Understanding of September 22, 1978, that will amend and supplement the Korea-U.S. Air Transport Agreement of 1957, as amended, I am pleased to confirm that the understanding as set out in the said letter is also the understanding of the Government of the Republic of Korea with regard to cargo self-handling.

Yours sincerely


Minister of Foreign Affairs

His Excellency
William H. Gleysteen Jr.
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Seoul

[RELATED NOTE]

**MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA**

OZI- 238

The Ministry of Foreign Affairs of the Republic of Korea presents its compliments to the Embassy of the United States of America and has the honour to refer to the amendment to the Korea-U.S. Air Transport Agreement of 1957, as amended, effected by an exchange of notes between their two Governments on March 22, 1979.

The Ministry has further the honour to notify the Embassy that, in accordance with the provisions of Section 6 of the Memorandum of Understanding attached to the said exchange of notes, the Government of the Republic of Korea waives its rights to take action under Section 1(H) of the said Memorandum of Understanding.

The Ministry of Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

Seoul, March 22, 1979



TIAS 9427

SRI LANKA

Trade: Visa System for Textile Exports

*Arrangement effected by exchange of letters
Signed at Colombo March 12 and 23, 1979;
Entered into force March 23, 1979.*

The American Ambassador to the Ceylonese Minister of Textile Industries

March 12, 1979

44 Galle Road
Colombo 3, Sri Lanka

Mr. T. Wijayapala Mendis
Minister of Textile Industries
Independence Square
Colombo 7

Dear Mr. Minister:

You will recall that during the recent visit of the U.S. Textile Delegation to Sri Lanka, Ambassador Michael B. Smith suggested a method to help eliminate the possible misuse of "Made in Sri Lanka" labels by garment manufacturers in other countries. Consequently, I wish to propose on behalf of my Government that the following visa system be established for exports to the United States of America of cotton, wool and man-made fiber apparel manufactured in Sri Lanka:

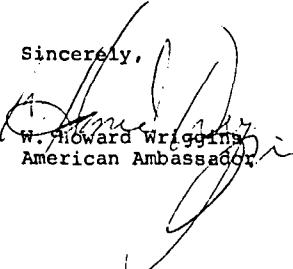
1. Each shipment shall be accompanied by an export visa issued by the Government of Sri Lanka. The export visa will be signed by an authorized official of the Government of Sri Lanka and will appear as a stamped marking in blue ink on the front of the Special Customs Invoice Form 5515, successor document or commercial invoice when such form is used.
2. The names and facsimile signatures of the officials authorized to issue export visas will be supplied by the Government of Sri Lanka. The Government of Sri Lanka will notify the Government of the United States of America of any changes of authorized officials, and will provide facsimiles of newly authorized officials' signatures. A minimum number of officials will be authorized to issue visas and certifications.
3. Shipments not accompanied by a valid visa in accordance with this letter, after the effective date of this requirement, shall be denied entry by the Government of the United States of America except upon specific request of the Government of Sri Lanka.

4. The United States Government shall publish in the FEDERAL REGISTER this visa system upon receipt of the authorized visa stamp and signatures from the Government of Sri Lanka. The visa stamp will be similar to the sample attached to this letter. The visa system will become effective 30 days after the date of publication for shipments exported from Sri Lanka on and after that date and 90 days after the date of publication for shipments exported from Sri Lanka before that date.
5. Either Government may terminate, in whole or in part, this administrative arrangement by giving 90 days written notice thereof to the other.

If the foregoing proposal is acceptable to your Government, this letter and your letter of acceptance on behalf of the Government of Sri Lanka shall constitute an administrative arrangement between our two Governments.

With best personal regards,

Sincerely,


W. Howard Wriggins
American Ambassador

Attachment:
as noted above

cc: Mr. Lalith Athulathmudali,
Minister of Trade

Mr. N. Balasubramaniam,
Director of West Division,
Ministry of Foreign Affairs



The Ceylonese Minister of Textile Industries to the American Ambassador

ප්‍රජාත්‍යා රුහුම
ගැස්ට්‍රොල් ගො. } 96675



බස් ගුණව } 1/P../3/1
විවෘත ගො. }
මුව ගො. }
මෙම ගුණව }
විවෘත ගො. }

මේ කමාත්ත අමාත්‍යාංශය
මුළුක්‍රී වැන්ත්‍රාත්මක ප්‍රජාත්‍යා මාධ්‍යම
MINISTRY OF TEXTILE INDUSTRIES

තිශ්‍ය ව්‍යාපෘති, නොලඹ 7.
ස්‍රීලංකා රුහුම, ගොනුව 1,
Independence Square, Colombo 7.

කො } 23rd March, 1979.
පුද්‍ර }

His Excellency W. Howard Wiggins,
American Ambassador,
American Embassy,
Colombo.

Dear Mr. Ambassador,

I refer to your letter dated 12th March, 1979 proposing the visa system which should be adopted regarding exports to the U.S.A., of cotton, wool and man-made fibre apparel manufactured in Sri Lanka. Your proposal is acceptable to me subject to the proposed visa stamp carrying the words "Ministry of Textile Industries" in the bottom half of the circle of the stamp corresponding to the words "Government of Sri Lanka" on top.

I shall convey to you within the next few days the names and facsimile signatures of the officials who will be authorised to issue these export visas along with a revised version of the visa stamp incorporating the amendment I have suggested. Once this is received, you could convey it to your government, so that, this could be published in the FEDERAL REGISTER and this system could thereafter come into operation in terms of item 4 of your letter under reference.

With kind regards,

Yours sincerely,

(WIJAYAPALA MENDIS).
Minister of Textile Industries.

TIAS 9428

SURINAME
Criminal Investigations

*Agreement signed at Washington March 14, 1979;
Entered into force March 14, 1979.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE
BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE
AND THE MINISTRY OF JUSTICE AND POLICE OF THE
REPUBLIC OF SURINAME IN CONNECTION WITH MATTERS
RELATING TO THE REYNOLDS METALS COMPANY

The United States Department of Justice and the Ministry of Justice and Police of the Republic of Suriname, hereinafter referred to as "the parties", confirm the following procedures in regard to mutual assistance to be rendered to agencies with law enforcement responsibilities in their respective countries with respect to alleged illicit acts pertaining to the activities in the Republic of Suriname of the Reynolds Metals Company 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 activities in the Republic of Suriname of the Reynolds Metals Company 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.

In the event of breach of confidentiality the other party may discontinue cooperation under these procedures.

5. Information made available pursuant to these procedures may be used freely in ensuing legal proceedings in the requesting state in which

an agency having law enforcement responsibilities is a party, and the parties shall use their best efforts to furnish the information for purposes of such legal proceedings in such form as to render it admissible pursuant to the rules of evidence in existence in the requesting state, including, but not limited to, certifications, authentications, and such other assistance as may be necessary to provide the foundation for the admissibility of evidence.

6. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 5, of any information made available pursuant to these procedures.

7. Upon request, a requested party shall render, in accordance with the practice and procedure of the requested state, assistance to the law enforcement agencies of the requesting state, such as locating witnesses, interviewing of witnesses, taking testimony or statements, or securing the production of documents or other materials. Representatives of the requesting state may participate in the execution of the request if the competent authority of the requested state consents.

The requesting party shall not pursue its request for an interview or for the production of documents and other materials if the requested party considers that it would interfere with an ongoing investigation or proceeding being conducted by the authorities of the requested state.

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

9. The assistance to be rendered to a requesting state shall not be required to extend to such acts as might result in the immunization of any person from prosecution in the requested state.

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

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

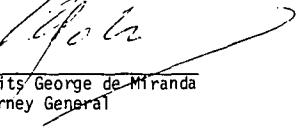
12. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities, and is not intended to benefit third parties or to affect the admissibility of evidence under the laws of either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

13. An extension of this Agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by the Ministry of Justice and Police of the Republic of Suriname could be accomplished by an exchange of letters between the parties.

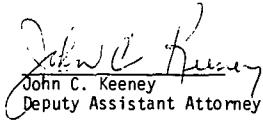
14. This Agreement shall enter into force on the date of signature by both parties.

Done at Washington, D.C., this 14th day of March, 1979.

For the Ministry of Justice
and Police of the Republic
of Suriname:


Maurits George de Miranda
Attorney General

For the United States
Department of Justice:


John C. Keeney
Deputy Assistant Attorney General

JAMAICA

Criminal Investigations

*Agreement signed at Washington March 30, 1979;
Entered into force March 30, 1979.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE
BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE
AND THE MINISTRY OF NATIONAL SECURITY OF JAMAICA IN
CONNECTION WITH MATTERS RELATING TO THE JAMAICA
NUTRITION HOLDINGS LTD., ITS HOLDING COMPANY,
STATE TRADING CORPORATION AND ITS ASSOCIATED COMPANIES

The United States Department of Justice and the Ministry of National Security of Jamaica, 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 commercial activities with the U.S.A. of Jamaica Nutrition Holdings Ltd., its holding company, State Trading Corporation Ltd., and its Associated Companies (the Companies):

1. All requests for assistance shall be communicated directly between the parties.
2. Upon request, the parties shall use their best efforts to make available to each other relevant and material information, such as statements, depositions, affidavits, documents, business records, correspondence or other materials, available to them concerning alleged illicit acts pertaining to the commercial activities with the U.S.A. of the Companies.
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. 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.

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.

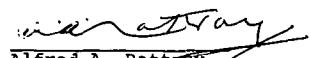
9. All actions to be taken by a requested state will be performed subject to all limitations imposed by its domestic law. Execution of a request for assistance may be postponed or denied if execution would interfere with ongoing investigations or legal proceedings, criminal, civil and administrative, 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.

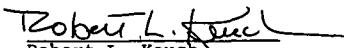
11. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities and is not intended or designed to benefit third parties, or to affect the admissibility of evidence under the laws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

Done at Washington, D.C., this 30th day of March, 1979.

For the Ministry of
National Security of Jamaica:


Alfred A. Rattray
Ambassador of Jamaica

For the United States
Department of Justice:


Robert L. Keuch
Deputy Assistant Attorney General

SOCIALIST REPUBLIC OF ROMANIA
Air Transport Services

*Agreement renewing and amending the agreement of
December 4, 1973, as extended.*

Effectuated by exchange of notes

Dated at Bucharest January 25 and 30, 1979;

Entered into force July 25, 1979;

Effective January 30, 1979.

The American Ambassador to the Romanian Minister of Foreign Affairs

No. 7

The Ambassador of the United States of America presents his compliments to His Excellency the Minister of Foreign Affairs of the Socialist Republic of Romania and has the honor to refer to discussions between representatives of our two governments in Washington, D.C. from April 17 to 26, 1978 concerning appropriate arrangements for the provision of scheduled and nonscheduled air service by airlines of both countries.

The two delegations reached ad referendum agreement on the following understandings and recommendations which were incorporated into a memorandum of understanding:

1. In the interest of furthering Romanian-United States civil aviation relations, the two delegations agreed that it was in the mutual interest to expand aviation opportunities so as to increase tourism, trade and commercial interchange, and proposed to amend and renew the U.S. - Romania civil air transport agreement of 1973 which expired on March 31, 1977.^[1]

2. In order to assure that the renewed and amended agreement reflects an equitable exchange of opportunities and benefits for the airlines of each country, after taking into account the nature of the respective markets and the commercial access which each country is able to make available to the other, both delegations agreed to recommend to their respective governments the following:

(A) That the Romanian designated airline will appoint the United States designated airline as its airport ground handling agent in the United States.

^[1] TIAS 7901, 8441; 25 UST 1631; 27 UST 4142.

(B) That the United States designated airline will continue to enjoy at its offices in the Socialist Republic of Romania the right to sell air transportation to any person, for freely convertible currency using its own transportation documents.

(C) That sales of air transportation in Romania for Romanian currency on all services of the designated airline of the United States will continue to be made, through the designated airline of Romania as general sales agent for the United States designated airline, in compliance with Romanian currency laws.

(D) That the revenues earned from sales performed under subparagraph (C) above may, at the option of the designated airline of the United States be used in whole or in part to cover its local expenses connected with the operation of its air services and with the activities of its local representatives and, with the approval of the Romanian authorities, for other purposes. Local expenses for which such revenues may be used as a matter of right include rent and maintenance of offices and housing, salaries of employees, purchase and maintenance of company vehicles, advertising, landing and other airport fees, airport ground handling fees, catering and domestically produced items necessary for the maintenance and servicing of aircraft.

(E) That any revenues in excess of sums locally disbursed in accordance with subparagraph (D) above may be converted in accordance with paragraph 3 of Article XIV of the Civil Air Transport Agreement of 1973, as renewed and amended.

(F) That the Romanian authorities will use their best efforts to ensure that the commercial opportunities of the United States designated airline(s) in the Socialist Republic of Romania are further expanded. In no event will the United States designated airline(s) enjoy less favorable commercial opportunities in the Socialist Republic of Romania than the Romanian designated airline.

(G) That the designated airline of Romania will enjoy the right to operate on its route the following number of roundtrip frequencies per week during the periods indicated:

Period	No. of frequencies
1978 summer season	2
1978/1979 winter season	2
1979 summer season and thereafter	2

(H) That additional passenger, all-cargo or combination scheduled frequencies, including extra sections, will be operated only following approval by the United States aeronautical authorities. Requests for additional scheduled frequencies will be made by filing the proposed schedule through diplomatic channels at least 90 days but no more than 180 days before its proposed effective date, and the Romanian authorities will be informed of the decision made by the United States authorities no later than 45 days after the United States au-

thorities receive the request. Requests for extra sections will be made by filing through diplomatic channels at least 15 days before the proposed date of operations, unless the receiving authority accepts a shorter notice. Any additional frequencies, including extra sections, which may be approved by the United States aeronautical authorities for service on a particular route may not be operated with traffic rights between intermediate points on the route and New York unless so authorized by the United States authorities. Any applications for additional frequencies will be judged on the basis of comity and reciprocity as well as taking into account subparagraphs 3(A) and 3(B) of this note, and the level of United States airline participation in the market.

(I) That the Romanian designated airline, acting as general sales agent in Romania for the United States designated airline, shall sell for the United States designated airline not less than 50 percent of the transatlantic passenger market which originates in Romania for travel to and from the United States and for which payment is made in Romanian currency. A deficiency in 1978 or any subsequent year in meeting the commitment for that year will be made up in the succeeding year.

(J) That in the event sales for any quarter are less than the commitment outlined in subparagraph 2(I) of this note, prompt consultations shall be held between the designated airlines, or if requested by either government, between the two governments, in order to make appropriate adjustments. If agreement on such adjustments cannot be reached, the United States Government may give notice of intention to terminate the Civil Air Transport Agreement, and, unless such notice is withdrawn, the Civil Air Transport Agreement shall terminate 60 days after the date of receipt of the notice of intention to terminate.

(K) That the Romanian and United States designated airlines may explore the feasibility of arranging a blocked-space, all-cargo service.

(L) That the present Romanian airline's annual charter authorization of 30 flights be retained, but that any applications for additional flights will be judged on the basis of comity and reciprocity, as well as taking into account subparagraphs 3(A) and 3(B) of this note, and the level of U.S. airline participation in the market.

(M) That charters (passenger or cargo) originating in Romania may be operated by the designated airlines of either contracting party pursuant to the Romanian rules and regulations and at prices authorized by such rules and regulations or any waiver or exemption thereof. Charter flights originating in Romania by United States designated airlines will be based on market demand and operated on the same basis of comity and reciprocity as outlined in paragraph 2(L) of this note for the Romanian designated airline.

(N) That the Civil Air Transport Agreement be amended as follows:

1. Article I(3):

“3. The term “designated airline” shall mean an airline that one contracting party has notified the other contracting party to be an airline which will operate a specific route or routes listed in the schedule of this Agreement or an airline which operates charter services. Such notification shall be communicated in writing, through diplomatic channels.”

2. Article XIII:

“1. All rates and fares to be charged by an airline of one contracting party for carriage to or from the territory of the other contracting party shall be established at reasonable levels, due regard being paid to all relevant factors, such as costs of operation, reasonable profit, as well as the characteristics of each service. Such rates and fares shall be subject to the approval of the aeronautical authorities of the contracting parties, who shall act in accordance with their obligations under this Agreement and this Memorandum of Understanding, within the limits of their legal powers.

“2. Any rate or fare proposed to be charged by an airline of either contracting party for carriage to or from the territory of the other contracting party shall, if so required, be filed by such airline with the aeronautical authorities of the other contracting party at least forty-five (45) days before the proposed date of introduction, unless the aeronautical authorities with whom the filing is to be made permit filing on shorter notice. The aeronautical authorities of each contracting party shall use their best efforts to ensure that the rates and fares charged and collected conform to the rates and fares filed, and that no airline rebates any portion of such rates and fares by any means, directly or indirectly.

“3. If the aeronautical authorities of a contracting party, on receipt of the notification referred to in paragraph 2 of this article, are dissatisfied with the rate or fare proposed, the other contracting party shall be so informed at least fifteen (15) days prior to the date that such rate or fare would otherwise become effective, and the contracting parties shall endeavor to reach agreement on the appropriate rate or fare.

“4. If the aeronautical authorities of a contracting party, upon review of an existing rate or fare charged for carriage to or from the territory of that party by an airline or airlines of the other contracting party, are dissatisfied with the rate or fare, the other contracting party shall be so informed and the contracting parties shall endeavor to reach agreement on the appropriate rate or fare.

“5. In the event that an agreement is reached pursuant to the provisions of paragraph 3 or 4 of this article, each contracting party will exercise its best efforts to put such rate or fare into effect.

“6. The aeronautical authorities of the contracting party raising the objection to the rate or fare may, with respect to such traffic that originates on a one-way or roundtrip basis in its homeland, take such

steps as may be considered necessary to prevent the operation of the service in question at the rate or fare complained of if:

“(A) Under the circumstances set forth in paragraph 3 of this article, no agreement can be reached prior to the date that such rate or fare would otherwise become effective; or

“(B) Under the circumstances set forth in paragraph 4 of this article, no agreement can be reached prior to the expiration of sixty (60) days from the date of notification. However, the aeronautical authorities of the contracting party raising the objection shall not require the charging of a rate or fare higher than the lowest rate or fare charged by its own airline or airlines for comparable service between the same points.

“7. Any rate or fare specified in the national currency of one of the contracting parties shall be established in an amount which reflects the effective exchange rate (including all exchange fees or other charges) at which the airlines of both parties can convert and remit the revenues from their transport operations into the national currency of the other party.”

3. The Romanian delegation agreed:

(A) That in order to increase the flow of travelers and cargo between the United States and Romania, the responsible Romanian agencies and authorities would ensure that existing ground services, hotel accommodations, and all other travel infrastructure facilities would be made available to United States designated airlines (both scheduled and supplemental) without discrimination and on the same basis as that granted to the Romanian designated airline.

(B) To accept, without restriction or prior approval, United States originating passenger and cargo services (scheduled and charter) operated by United States designated airlines (both scheduled and supplemental) pursuant to United States rules and regulations and at prices authorized by such rules and regulations or any waiver or exemption thereof.

4. The two delegations further agreed that the Civil Air Transport Agreement signed on December 4, 1973, which expired on March 31, 1977, be renewed, in accordance with the provisions set forth in this note. This renewed Agreement shall supersede the exchange of letters dated December 4, 1973, and shall remain in force for a period of two years from the date of the exchange of diplomatic notes, unless a review at the end of the first year of operation indicates that there has not been compliance with subparagraphs 2(A-F), 2(I) and paragraph 3 of this note, in which case, the procedures set forth in subparagraph 2(J) of this note will apply.

The above-detailed amendments and understandings are acceptable to the United States Government. The Ambassador has the honor to propose that this Note, together with the Minister's notification of its acceptance on behalf of the Government of the Socialist Republic of

Romania, shall constitute an agreement between our two governments which shall enter into force on the date of the Minister's notification of acceptance.^[1]

EMBASSY OF THE UNITED STATES OF AMERICA,
BUCHAREST, *January 25, 1979*

¹ July 25, 1979.

The Romanian Ministry of Foreign Affairs to the American Embassy

REPUBLICA SOCIALISTĂ ROMÂNIA

MINISTERUL
AFACERILOR EXTERNE

Nr. 6/ 626

Ministerul Afacerilor Externe al Republicii Socialiste România prezintă complimentele sale Ambasadei Statelor Unite ale Americii la Bucureşti şi are onoarea să-I confirme primirea notei verbale a Ambasadei nr. 7 din 25 ianuarie 1979 cuprinsănd propunerile Părţii americane de modificare a textului Memorandumului de Înțelegere semnat la Washington la 26 aprilie 1978 privind amendarea şi prelungirea valabilităţii Acordului referitor la transporturile aeriene civile dintre Republica Socialistă România şi Statele Unite ale Americii.

Ministerul Afacerilor Externe comunică totodată că Partea română este de acord cu propunerile menţionate mai sus, astfel cum acestea au fost introduse în Memorandumul de Înțelegere al cărui text a fost incorporat în cuprinsul notei verbale a Ambasadei nr. 7 din 25 ianuarie 1979.

Ministerul Afacerilor Externe al Republicii Socialiste România foloseşte acest prilej pentru a reînnoi Ambasadei Statelor Unite la Bucureşti asigurarea finaliei sale consideraţii.

Bucureşti, 30 ianuarie 1979



AMBASADEI STATELOR UNITE
ALE AMERICII
- în oraş -

TRANSLATION

The Socialist Republic of Romania

Ministry
of Foreign Affairs

No. 6/626

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 has the honor to acknowledge the receipt of the Embassy's note verbale No. 7 of January 25, 1979 containing the proposals of the American side for modifying the text of the Memorandum of Understanding, signed at Washington on April 26, 1978, regarding modification and extension of the validity of the Agreement concerning civil air transport between the Socialist Republic of Romania and the United States of America.

At the same time the Ministry of Foreign Affairs states that the Romanian side agrees with the above-mentioned proposals as introduced in the Memorandum of Understanding, the text of which was incorporated in the Embassy's note verbale No. 7 of January 25, 1979.

The Ministry of Foreign Affairs of the Socialist Republic of Romania avails itself of the opportunity to renew to the Embassy of the United States at Bucharest the assurances of its high consideration.

Bucharest, January 30, 1979

[SEAL]

The Embassy of the
United States of America
Bucharest

TIAS 9431

REPUBLIC OF KOREA

Trade: Color Television Receivers

Agreement effected by exchange of letters

Signed at Seoul and Washington December 14, 1978 and

January 2 and March 12, 1979;

Entered into force March 12, 1979;

Effective December 14, 1978.

*The Korean Assistant Minister for Trade and Commerce, Ministry of
Commerce and Industry, to the American Assistant Special Trade
Representative*

14, December 1978

Seoul, Korea

Dear Mr. Lande,

I have been authorized by my Government to transmit to you a copy of a memorandum which sets forth the self-restraint measures to be applied to exports of color television receivers from Korea. The Government of the Republic of Korea intends to implement these measures during the period ending on June 30, 1980. A copy of the memorandum is enclosed.

Sincerely yours,


Pil Soo Park
Assistant Minister
for Trade and Commerce,
Ministry of Commerce
and Industry

Mr. Stephen L. Lande
Assistant Special Trade Representative
Office of the Special Representative
for Trade Negotiations,
The Executive Office of the President,
Washington D.C.

MEMORANDUM

- 1 This memorandum describes the self-restraint measures which the Government of the Republic of Korea will take with respect to future exports of color television receivers to the United States. The levels at which the Government of the Republic of Korea will restrain exports of color television receivers, the definition of television receivers, and the period during which the self-restraints will be exercised are set forth in Annex A.
- 2 The Government of the Republic of Korea will administer these restraints through the issuance of export visas. A facsimile of such visas will be provided by the Government of the Republic of Korea to the Government of the United States of America.
- 3 In order to assure that there is full compliance with its self-restraint measures, the Government of the Republic of Korea will collect and maintain comprehensive data on exports of color television receivers to the United States. The Government of the Republic of Korea will provide the statistical information collected by the Government of the Republic of Korea to the Government of the United States of America on a monthly basis no later than 30 days after the end of each month.
- 4 The Government of the Republic of Korea recognizes that the objectives of the measures of self-restraint described in the memorandum would not be achieved if exports of color television receivers from Korea were to reach the United States indirectly via exports to third countries. Accordingly, the Government of the Republic of Korea will assure that Korean exporters will obtain, as a condition of sale, contractual commitments from importers in third countries that there will be no trans-shipment of Korean exports to the United States. In addition the Government of the Republic of Korea will monitor exports to third countries from the point of view of preventing, before export shipments which would be destined for trans-shipment.
- 5 Exports of color television receivers during the restraint periods shall be counted against the restraint level applicable to the restraint period in which they are exported. However, up to 10 percent of the restraint level in Period 1 can be carried over into Period 2, and up to 10 percent of the restraint level in Period 2 can be carried forward into Period 1.

- 6 The actions described in this memorandum are taken under the assumption that, provided the measures outlined in this memorandum and its annex are fully implemented by the Government of the Republic of Korea, the Government of the United States of America will not unilaterally restrict the import of color television receivers from the Republic of Korea except as provided below. The Government of the Republic of Korea recognizes and accepts the fact that the Government of the United States of America may take action under Section 203 (g)(2) of the Trade Act of 1974^[1] to assist the Government of the Republic of Korea in administering its self-restraint measures in the event that it appears exports from Korea may exceed the levels of self-restraint which the Government of the Republic of Korea has stated it will apply in this memorandum.
- 7 If, in the view of the Government of the Republic of Korea, the economic conditions prevailing at the time of the transmittal of this memorandum have improved substantially, or if, as a result of the actions described in this memorandum, Korea is placed in an inequitable position vis-a-vis third countries in respect to any category of exports to the United States of color television receivers, the Government of the Republic of Korea reserves the right to request consultations with the Government of the United States of America.
- 8 In taking these measures of self-restraint the Government of the Republic of Korea has taken no action and will not take any action, applying to prices for production of color television receivers or allocation of shipments among firms selling (except that it is recognized that such allocation may be determined necessary and therefore directed by the Government of the Republic of Korea in implementing the self-restraint measures outlined in this memorandum) or buying color television receivers

^[1] 88 Stat. 2017, 19 U.S.C. § 2253(g)(2)

ANNEX A

The following items from the Tariff Schedules of the United States Annotated Code (1978) are covered by the provisions of the memorandum:

Color television receivers provided for in TSUSA items
685.2025, 685.2026, 685.2027, 685.2028, 685.2029, 685.2031,
685.2044, 685.2046, 685.2055, 685.2061, 685.2062

The Government of the Republic of Korea will apply restraints on exports to the United States of color television receivers as defined above so that exports to the United States from Korea will not exceed the following levels during the period specified.

Period 1(February 1, 1978 - October 31, 1979)*
153,000 units

Period 2(November 1, 1979 - June 30, 1980) 136,000 units

* The level for Period 1 will be adjusted depending upon the quantity of color television receivers actually exported from the Republic of Korea during the period December 1, 1978 through January 31, 1979 as determined by U.S Customs data. If the quantity actually exported from the Republic of Korea exceeds 122 000 units in that period, the excess quantity will be deducted from the level for Period 1

[Footnote in the original.]

The Korean Commercial Attaché to the Special Trade Representative

EMBASSY OF THE REPUBLIC OF KOREA
WASHINGTON, D. C.

January 2, 1979

Mr Stephen Lande
Office of Special Trade Negotiations
1800 G Street, N.W.
Suite 711
Washington, D. C. 20503

Dear Mr Lande.

Mr Park, Pil Soo, Assistant Minister, Ministry of Commerce and Industry, has received your requests for inclusion of TSUSA Item 685.2064 in his Memorandum of December 14, 1978, describing the self-restraint measures of the Government of Korea with respect to color television exports from Korea to the United States.

In view of the time requirements which you have said are necessary for you to prepare the proper notifications to the Federal Register, Assistant Minister Park has asked me to inform you officially that he has amended his Memorandum of December 14, 1978 by adding the following paragraph to Annex A.

"Amendment to Annex A

The Government of the Republic of Korea will apply the restraints provided for above so as to include incomplete television receivers defined in TSUSA Item 685 2064 during the period February 1 - June 30, 1979. With respect to the period July 1, 1979 - June 30, 1980, the Government of Korea reserves the right to request, at an appropriate time prior to July 1, 1979, consultations with the United States Government to initiate an overall review of the color television import situation. This review should include both complete and incomplete color television receivers. The Government of Korea recognizes the fact that, with respect to TSUSA Item 685.2064, the Government of the U.S. has the right during the period July 1, 1979 - June 30, 1980 to take action under Section (203)(g)(2) of the Trade Act of 1974 to limit imports of this item."

Sincerely yours,

Eun Tak Lee

| Eun Tak Lee

*The American Ambassador to the Korean Assistant Minister for Trade
and Commerce, Ministry of Commerce and Industry*

MARCH 12, 1979

His Excellency

PIL SOO PARK

*Assistant Minister for
Trade and Commerce
Ministry of Commerce
and Industry
Seoul, Republic of Korea*

EXCELLENCY.

Enclosed please find a copy of the Presidential Proclamation implementing the agreement that was concluded between our two Governments and the agreement that was concluded between the United States and Taiwan, with respect to color television receivers.

Accept, Excellency, renewed assurances of my highest esteem.

Sincerely,

ROBERT S. STRAUSS

Robert S. Strauss

presidential documents

Proclamation 4634 of January 26, 1978

**Implementation of Orderly Marketing Agreements—and the
Temporary Quantitative Limitation on the Importation Into
the United States of Color Television Receivers and Cer-
tain Subassemblies Thereof**

By the President of the United States of America

A Proclamation

1. On March 22, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 808) the results of its investigation under section 201(b) of the Trade Act of 1974 (19 U.S.C. 2251(b)) (the Trade Act). The USITC determined that color television receivers assembled or not assembled, finished or not finished, provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. By an evenly divided vote, three USITC Commissioners determined serious injury to exist in the monochrome television receiver industry and three Commissioners made no determination of injury with respect to the monochrome receiver industry. The Commissioners also had an evenly divided determination on the question of injury to that portion of the industry producing subassemblies of color television receivers, also provided for in item 685.20 of the TSUS.
2. On June 24, 1977, in order to remedy the serious injury found to exist by the USITC, I proclaimed (Presidential Proclamation 4511) that the Government of the United States of America and the Government of Japan had entered into an orderly marketing agreement on May 20, 1977, pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) limiting the export from Japan to the United States of color television receivers and certain subassemblies thereof, for a period of three years beginning July 1, 1977, to 1.75 million units in each annual restraint period.
3. In Proclamation 4511 I delegated my authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) is no longer effective to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative").
4. Pursuant to the authority delegated to the Special Representative in paragraphs 2 and 4 of Proclamation 4511, and after consultation with representatives of member agencies of the Trade Policy Staff Committee, the Special Representative has determined that imports of color television receivers and certain subassemblies thereof from Taiwan and the Republic of Korea have increased in such quantities as to disrupt the effectiveness of the orderly marketing agreement with Japan with respect to such products and that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly

marketing agreement with Japan does not continue to be effective. I concur with that determination.

5. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(5) and 203(e)(3) of the Trade Act (19 U.S.C. 2253(a)(5) and 2253(e)(3)), and in order to restore the effectiveness of the orderly marketing agreement with Japan, and to remedy the serious injury to the domestic industry producing color television receivers and certain subassemblies thereof found to exist by the USITC, orderly marketing agreements were concluded on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan respectively. The orderly marketing agreements limit the export from the Republic of Korea and Taiwan to the United States of color television receivers and certain subassemblies thereof, for the period February 1, 1979, through June 30, 1980, and set forth conditions under which limitations will be placed on the importation into the United States of such articles by the Government of the United States through quantitative restrictions. These restrictions are to be implemented under the authority of sections 203(a)(5), (e)(3), and (g)(2) of the Trade Act (19 U.S.C. 2253(a)(5), (e)(3), and (g)(2)).

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States from the Republic of Korea and from Taiwan, in the 1972-75 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including sections 203 and 804 of the Trade Act (19 U.S.C. 2253 and 2483), and section 301 of Title 3 of the United States Code, do hereby proclaim:

(1) Orderly marketing agreements were entered into on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan, respectively, with respect to trade in color television receivers and certain subassemblies thereof, effective February 1, 1979. The orderly marketing agreements are to be implemented according to their terms and by quantitative restrictions as directed in this proclamation, including the Annex thereto.

(2) Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified as set forth in the Annex to this proclamation.

(3) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)) to negotiate orderly marketing agreements with other foreign suppliers of articles subject to this proclamation after any import relief proclaimed pursuant to section 203(a)(1), (2), (3) or (5) of the Trade Act (19 U.S.C. 2253(a)(1), (2), (3) or (5)) takes effect, is hereby delegated to the Special Representative. The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or (5) or 203(e)(2) of the Trade Act (19 U.S.C. 2253(a)(4) or (5) or 2253(e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (5) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)).

(4) The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry or withdrawal from warehouse of articles covered by the orderly marketing

agreements and to issue rules and regulations governing entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreements, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846.^[1] Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative, on consultation with representatives of the member agencies of the Trade Policy Staff Committee.

(5) In exercising the authority delegated in paragraphs (3) and (4) above, the Special Representative shall, in addition to other necessary actions, institute the following actions.

(a) Statistics on imports from the Republic of Korea and Taiwan and from other sources of articles covered by the agreements shall be collected on a monthly basis. Should the effectiveness of the orderly marketing agreements be disrupted, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly marketing agreements do not continue to be effective.

(b) Beginning on February 1, 1979, if during any restraint period the quantity of imports of the articles covered by the agreements, from countries other than Taiwan and the Republic of Korea, appear likely to disrupt the effectiveness of the provisions of the orderly marketing agreements described in paragraph (1) above, the Special Representative may initiate consultations with those countries responsible for such disruptions and may prevent further entry of such articles for the remainder of that restraint period or may otherwise moderate or restrict imports of such articles from such countries pursuant to section 203(g)(2) of the Trade Act (19 U.S.C. 2253(g)(2)). Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

(c) Should the Special Representative determine, pursuant to this proclamation, to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from countries other than Taiwan or the Republic of Korea pursuant to this proclamation, such action shall be effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the FEDERAL REGISTER.

(6) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, implementation, modification, amendment or termination of the agreements described in paragraph (1) of this proclamation, and any actions and functions necessary to implement paragraphs (3), (4) and (5) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreements or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreements or actions. Any such changes in the agreements shall be effective on and after their publication in the FEDERAL REGISTER.

(7) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreements described in paragraph (1) of this proclamation and to implement any import relief pursuant to paragraphs (3), (4) and (5) of this proclamation, or any modification thereof, with respect to the entry or withdrawal from warehouse, for consumption into the United States of products covered by such agreements or by such other import relief.

¹ 40 Fed. Reg. 14291.

(8) This proclamation shall be effective as of February 1, 1979, and shall continue in force through June 30, 1980, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord, nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.



ANNEX

Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified—

(a) by adding the following headnote:

"5. Quantitative limitation on color television receivers and certain subassemblies thereof."—The provisions of this headnote apply to items 923.74 through 923.83, inclusive, of this subpart. The quantitative import limitations imposed are in addition to the duties provided for the restrained articles in schedule 6, part 5. The import restrictions provided for in this subpart do not apply to a single color television receiver or subassembly thereof, if imported for the personal use of the importer.

(b) *Definition.*—For the purposes of this subpart—

(i) each subassembly that contains as a component, or is covered in the same entry with, one or more of the following television components, viz., tuner, channel selector assembly, antenna, deflection yoke, degaussing coil, picture tube mounting bracket, grounding assembly, parts necessary for fixing the picture tube or tuner in place, consumer operated controls, or speaker, shall be classified in items 923.78 through 923.83, inclusive;

(ii) for the purposes of items 923.78 through 923.83, inclusive, each subassembly shall be counted as a single unit, except that two or more different printed circuit boards or ceramic substrates covered by the same entry and designed for assembly into the same television models shall be counted as one unit;

(iii) the term "restraint period" refers to the time periods set forth in items 923.74 through 923.83, inclusive; and

(iv) the term "exported" refers to the actual date the merchandise finally leaves the country of exportation for the United States as provided for in section 152.1(c) of the U.S. Customs regulations (19 CFR 152.1(c)).

(c) *Export visa.*—None of the color television receivers and subassemblies thereof provided for herein exported on or after February 1, 1979, from the foreign countries involved may be entered unless such color television receivers and subassemblies are accompanied by an appropriate export visa issued by the government of the exporting country.

(d) *Color television receivers and certain subassemblies thereof exported prior to February 1, 1979.*—All color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which were exported from the foreign country involved prior to February 1, 1979, may be entered prior to April 1, 1979, without the requirement of export visas. No such color television receivers and subassemblies may be entered on or after April 1, 1979, unless accompanied by an appropriate export visa issued by the exporting country and such products shall be counted against the applicable restraint levels.

(e) *Color television receivers and certain subassemblies thereof exported and entered in different restraint periods.*—Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period, but are entered more than 90 days following the beginning of the subsequent restraint period, shall be counted against the restraint levels for that subsequent restraint period. Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period in excess of the restraint level for such period, may be entered after the beginning of the next restraint period and shall be counted against the restraint level for such item for such subsequent restraint period.

(f) *Carryover.*—If the restraint level for any item has not been filled for a restraint period, upon appropriate request of the foreign government involved, the shortfall may be entered under the same item during the following restraint period provided that the amount of shortfall so entered does not exceed 11 percent of the restraint level for the restraint period during which the shortfall occurred for products of Taiwan and 10 percent for products of the Republic of Korea.

(g) *Exceeding restraint levels.*—Upon appropriate request of the Government of the Republic of Korea, the restraint level for item 923.81 may be exceeded by not more than 10 percent. If the restraint level is exceeded the Special Representative for Trade Negotiations shall make a downward adjustment of the restraint level for item 923.83 in the absolute amount the restraint level for item 923.81 was exceeded.

(h) *Adjustments.*—The quota quantity applicable to item 923.74 shall be adjusted by the

Special Representative for Trade Negotiations depending upon the quantity of color television receivers actually exported from Taiwan and entered into the United States during the period July 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from Taiwan and entered into the United States exceeds 368,000 units; the amount of the excess shall be deducted from the quota quantity of 127,000 units. If the quantity actually exported from Taiwan and entered into the United States is less than 368,000 units, the amount of the deficiency shall be added to the quota quantity of 127,000 units. The quota quantity applicable to item 923.81 shall be adjusted by the Special Representative for Trade Negotiations depending upon the quantity of color television receivers actually exported from the Republic of Korea and entered into the United States during the period December 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from the Republic of Korea and entered into the United States exceeds 122,000 units, the amount of the excess shall be deducted from the quota quantity of 153,000 units. The above adjustments are to be effective on and after the date of their publication in the FEDERAL REGISTER.

(b) by inserting in numerical sequence the following new provisions:

"Item	Articles	Quota Quantity (in units)
Whenever the respective aggregate quantity of color television receivers and subassemblies thereof specified below for items 923.74 through 923.83, inclusive, the product of a specified foreign country, has been exported in any restraint period from that country and has been entered, no article in such item the product of such country exported during such restraint period may be entered, except as provided in headnote 5:		
	Taiwan:	
	Color television receivers, having a picture tube, provided for in item 685.20:	
923.74	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	127,000
923.76	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	373,000
	Printed circuit boards and ceramic substrates with components assembled thereon, for color television receivers; subassemblies containing one or more of such boards or substrates, except tuners or convergence assemblies; all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 658.20:	
923.78	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	270,000
923.79	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	648,000
	Republic of Korea:	
	Color television receivers, having a picture tube, provided for in item 685.20; printed circuit boards and ceramic substrates with components assembled thereon for color television receivers and subassemblies containing one or more of such boards or substrates (except tuners or convergence assemblies), all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 685.20:	
923.81	If exported during the period from February 1, 1979, through October 31, 1979, inclusive	153,000
923.83	If exported during the period from November 1, 1979, through June 30, 1980, inclusive	136,000."

PORtUGAL
Defense Equipment

*Memorandum of understanding signed at Lisbon and Washington
December 18, 1978 and March 28, 1979;
Entered into force March 28, 1979.*

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
GOVERNMENT OF PORTUGAL
AND THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
CONCERNING THE PRINCIPLES GOVERNING MUTUAL COOPERATION
IN THE RESEARCH, DEVELOPMENT, PRODUCTION, PROCUREMENT AND LOGISTIC SUPPORT
OF DEFENSE EQUIPMENT

PREAMBLE

The Government of the United States of America and the Government of Portugal, duly represented by their Ministers of Defense:

Intending to increase their respective defense capabilities through more efficient cooperation in the fields of research, development, production, procurement and logistic support in order to:

- Make the most cost-effective and rational use of the resources available for defense,
- Ensure the widest possible use of standard or interoperable equipment,
- Develop and maintain an advanced industrial and technological capability for the North Atlantic Alliance, and particularly with respect to the parties to this Memorandum of Understanding (MOU), and

Seeking to improve the present situation and to strengthen their military capability and economic position through the further acquisition of standard or interoperable equipment,

Have entered into this Memorandum of Understanding in order to achieve the above aims.

This Memorandum of Understanding sets out the guiding principles governing mutual cooperation in research, development, production, procurement and logistic support of conventional defense equipment.

The two Governments conclude this MOU to strengthen the North Atlantic Alliance. In so doing, the Governments are fully aware that the Independent European Program Group (IEPG) wants to enhance equipment collaboration by more comprehensive and systematic arrangements. They therefore agree that in the event of a possible conflict between agreements entered into between the IEPG and the Government of the United States, and this MOU, the parties hereto will consult with a view to amending this MOU.

The two Governments further agree that this MOU should be viewed in the larger context of the cooperation between Europe and North America within the Alliance.

ARTICLE IPrinciples Governing Mutual Defense Cooperation

1. Both Governments intend to facilitate the mutual flow of defense procurement, taking into consideration relative technological levels of such procurement, and consistent with their national policies.

This facilitation shall be sought through the provision of opportunities to compete for procurements of defense equipment and services as well as through the coproduction of defense equipment and defense R&D cooperation.

2. This MOU is intended to cover areas in which possible bilateral cooperation could be achieved in research, development, production, procurement and logistic support of conventional defense equipment, complementing the work of the Conference of National Armament Directors (CNAD), the Independent European Program Group (IEPG), and the Senior NATO Logisticians Conference (SNLC).

3. The two Governments will, consistent with their relevant laws and regulations, give the fullest consideration to all requests for cooperative R&D, and to all requests for production and procurement which are intended to enhance standardization and/or interoperability within the Alliance.

4. In the interests of standardization and the effective utilization of scarce resources, the two Governments shall, to the extent possible, adopt qualified defense items that have been developed or produced in the other country to meet their requirements.

5. The two Governments shall mutually determine the counting procedures to be laid down in an Annex to this MOU that will apply to all defense items and defense services purchased by them directly or through their relevant industries under this MOU.

6. Each Government shall from time to time notify the other Government of defense items that may not be acquired by the

notifying Government from other than domestic sources, as well as those defense items that may be particularly suitable for acquisition by the other Government.

7. Both Governments will provide appropriate policy guidance and administrative procedures within their respective defense acquisition organizations to facilitate achievement of the aims of this MOU.

8. Competitive contracting procedures shall normally be used in acquiring items of defense equipment developed or produced in each other's country for use by either country's defense establishment.

9. The detailed implementing procedures, to be agreed, will, consistent with and to the extent permitted by national laws and regulations, incorporate the following:

a. Offers or proposals will be evaluated without applying price differentials under buy national laws and regulations and without applying the costs of import duties;

b. Full consideration will be given to all qualified industrial and/or governmental resources in each other's country;

c. Offers or proposals will be required to satisfy requirements of the purchasing Government for performance, quality, delivery, and costs.

10. Both Governments will review items submitted as candidates for respective requirements. They will indicate requirements and proposed purchases in a timely fashion to ensure adequate time for their respective industries to qualify for eligibility and submit a bid or proposal.

11. Each Government will ensure that the technical data packages (TDP's) made available under this MOU are not used for any purpose other than for the purpose of bidding on and performing a prospective defense contract, without the prior agreement of those owning or controlling proprietary rights and that full protection shall be given to such proprietary rights, or to any privileged, protected, or classified data and information they contain. In no event shall the TDP's be transferred to any third country or any other

transferee without the prior written consent of the originating Government.

12. Third party transfers of defense articles or technical data made available under this MOU, and of articles produced with such data, will be subject to the agreement of the Government that made available the defense articles or technical data, except as otherwise provided in particular arrangements between the two Governments.

13. Both Governments will use their best efforts to assist in negotiating licenses, royalties and technical information exchanges with their respective industries or other owners of such rights.

14. Arrangements and procedures will, at the request of the purchasing government, be established concerning follow-on logistic support for items of defense equipment, purchased pursuant to this MOU. Both Governments will make their defense logistic systems and resources available for this purpose as required and mutually agreed.

ARTICLE II

Implementing Procedures

1. Representatives of the two Governments will be appointed to determine in detail the procedures for implementing this MOU and the terms of reference for a Portugal-U.S. Committee for Mutual Cooperation.

2. The Under Secretary of Defense for Research and Engineering will be the responsible authority in the United States Government for the development of implementing procedures under this MOU.

3. The Director General of Armaments and the Secretary of State for Light Industry will be the responsible authorities of the Government of Portugal for the development of the implementing procedures under this MOU.

ARTICLE IIIIndustry Participation

1. Each Government will be responsible for calling to the attention of the relevant industries within its territory the basic understanding of this MOU, together with appropriate implementing guidance. Both Governments will take all necessary steps so that the industries comply with the regulations pertaining to security and to safeguarding classified information.
2. Implementation of this MOU will involve full industrial participation. Accordingly, the Governments will arrange to inform their respective procurement and requirements offices concerning the principles and objectives of this MOU. However, primary responsibility for finding business opportunities in areas of research and development and production shall rest with the industries in each nation.

ARTICLE IVSecurity

1. To the extent that any items, plans, specifications or information furnished in connection with the specific implementation of this Memorandum of Understanding are classified by the furnishing Government for security purposes, the other Government shall maintain a similar classification and employ all measures necessary to preserve such security equivalent to those measures employed by the classifying Government throughout the period during which the classifying Government may maintain such classifications.
2. Information that has been provided by the Government of Portugal to the United States in confidence, or produced by the United States pursuant to a written joint arrangement with the Government of Portugal requiring confidentiality, shall either retain its original classification designation, or be assigned a United States classification designation that shall ensure a degree of protection against disclosure equivalent to that required by the Government of

Portugal. To assist in providing the desired protection, the Government of Portugal will mark such information furnished to the U.S. Government with a legend indicating that the information is of Portuguese Government origin, that the information relates to the MOU and that the information is furnished in confidence.

ARTICLE V

Administration

1. The Portugal-U.S. Committee for Mutual Cooperation, referred to in Article II above, will meet as agreed or at the request of either Government to review progress in implementing the MOU. They will discuss research and development, production and procurement needs of each nation and the likely areas of cooperation; agree to the basis of and keep under review, the financial statement referred to below; and consider any other matters relevant to this MOU.
2. Each Government will designate points of contact at the Ministry of Defense level and in each purchasing service/agency under the Ministries of Defense.
3. An annual United States-Portugal statement of the current balance, and long-term trends, of R&D cooperation and purchases between the two nations will be prepared on a basis to be mutually agreed.

ARTICLE VI

Annexes

Annexes negotiated by the responsible officials and approved by the appropriate Government authorities will be incorporated in this MOU.

ARTICLE VII

Duration

1. This MOU will remain in effect for a ten-year period and will

be extended for successive five-year periods, unless the Governments mutually decide otherwise.

2. If, however, either Government considers it necessary for compelling national reasons to terminate its participation under this MOU before the end of the ten-year period, or any extension thereof, written notification of its intention will be given to the other Government six months in advance of the effective date of termination. Such notification of intent shall become a matter of immediate consultation with the other Government to enable the Governments fully to evaluate the consequences of such termination and, in the spirit of cooperation, to take such actions as necessary to alleviate problems that may result from the termination. In this connection, although the MOU may be terminated by the Parties, any contract entered into consistent with the terms of this MOU shall continue in effect, unless the contract is terminated in accordance with its own terms.

ARTICLE VIII

Implementation

This MOU will come into effect on the date of the last signature.

For the Government of the United
States of America
The Secretary of Defense

Harold Brown [¹]

Date 28 March 1979

For the Government of Portugal
The Minister of Defense

José Alberto Loureiro dos Santos [²]

Date 18 Dec 78

¹ Harold Brown.

² José Alberto Loureiro dos Santos.

ISRAEL
Defense Equipment

*Memorandum of agreement signed March 19, 1979;
Entered into force March 19, 1979.*

Memorandum of Agreement
between the
Government of Israel
and the
Government of the United States of America
concerning the
Principles Governing Mutual Cooperation
in
Research and Development, Scientist and Engineer Exchange, and
Procurement and Logistic Support of Selected Defense Equipment

PREAMBLE

The Government of the United States of America and the Government of Israel, hereinafter referred to as the Governments:

- o Noting previous agreements on Data Exchange (signed on 22 December 1970) and the Production in Israel of U.S. Designed Defense Equipment (signed on 1 November 1971) and
- o Intending to increase their respective defense capabilities through more efficient cooperation in the field of research and development, in order to:
 - Promote the cost-effective and rational use of funds allocated to defense to the extent permitted by their national laws and policies, and
 - Mutually benefit from selected research and development programs which satisfy each nation's defense needs in a cost effective manner, and
- o Noting that Israel will continue to purchase large quantities of defense equipment from the United States and desiring to ameliorate the ensuing imbalance in defense trade between the two countries by affording Israeli sources improved opportunities to compete for agreed upon procurements of the U.S.

Department of Defense (DoD)

have entered into this Memorandum of Agreement in order to achieve the above aims.

This Memorandum of Agreement (MOA) sets out the guiding principles governing mutual cooperation in conventional defense equipment research and development, and procurement and logistic support of agreed upon defense supplies and services.

ARTICLE I

PRINCIPLES GOVERNING RECIPROCAL DEFENSE COOPERATION

1. The Governments intend to facilitate the accomplishment of the above-stated aims through cooperation in the research and development areas, and data exchange and scientist-engineer exchange programs, all as listed in Annex A hereto; and by affording each other's national sources improved opportunities to offer products and services identified in Annex B hereto. Items may be added to these annexes by agreement of the Governments. Items may be dropped from these annexes by either Government as its national policies require.
2. Both Governments, in the cases of purchases directly in support of the programs listed in Annex "A" and in the case of the items and services listed in Annex "B", will accord the following treatment to offers of services to be performed or supplies to be produced, in the other country:
 - a. These offers will be evaluated without applying price differentials resulting from Buy National laws and regulations.
 - b. To the extent permitted by law and regulation, these offers will be evaluated without consideration of the cost of duties and provisions will be made for duty-free entry certificates and related documentation.

c. Full consideration will be given to all qualified industrial and/or governmental sources of the other country for items or services listed in Annexes A and B consistent with the policies and criteria of the cognizant purchasing agencies, it being understood that such offers will be required to satisfy requirements of the purchasing organization for performance, quality, delivery and costs.

d. The requirements of each Government's laws and regulations relating to purchases of property and services (including the requirements for obtaining competition for such purchases) shall be applicable to the implementation of this agreement.

3. Both Governments will provide appropriate policy guidance and administrative procedures within their respective defense procurement organizations to facilitate achievement of improved defense cooperation. Each Government will also be responsible for calling to the attention of the relevant industries within its country the basic understanding of this Memorandum of Agreement, together with appropriate implementing guidance.

4. Technical information, including Technical Data Packages (TDPs), furnished to the other Government or to persons in the other country for the purpose of offering or bidding on, or performing a defense contract shall not be used for any other purpose without the prior agreement of the originating Government as well as the prior agreement of those owning or controlling proprietary rights in such technical information. Each Government will ensure that full protection will be given by its officers, agents, and contractors to such proprietary, or to any privileged, protected or

classified data and information they contain. Each Government will also undertake its best efforts to ensure compliance with the foregoing provisions on the part of other persons in its country. In no event shall such technical information or TDPs or products derived therefrom be transferred to any third country or any other third part transferee without the prior written consent of the originating Government.

5. Both Governments will undertake their best efforts to assist in negotiating licenses, royalties, and technical information exchanges with their respective industries, when the items in Annexes A and B require such efforts. Both Governments will also facilitate the necessary export licenses required for the submission of bids or proposals or otherwise required for the performance of Annexes A and B.

6. The transfer to third countries of material or technical information and of articles derived therefrom generated from the mutual cooperative programs included in this MOA is subject to case-by-case advance agreement of the originating Government.

7. Arrangements and procedures will be established concerning follow-on logistic support for items of defense equipment covered by this Memorandum of Agreement. Both Governments will make their defense logistic systems and resources available for this purpose as required and mutually agreed.

ARTICLE II

IMPLEMENTING PROCEDURES

A joint U.S. DoD-Israel MOD committee shall be established to prepare and update the annexes and attachment hereto for approval by the appropriate

authorities of each Government and to periodically review the progress of implementation. The Under Secretary of Defense for Research and Engineering, in coordination with the Assistant Secretary of Defense for International Security Affairs, the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, and other appropriate Department of Defense and State officials, will be responsible in the U.S. Government for the implementation of this MOA. The Director General, Israel Ministry of Defense will be the responsible counterpart authority for the Government of Israel. Other duties to be assigned this committee and the frequency of their meetings shall be further defined in Attachment 1.

ARTICLE III

SECURITY

1. To the extent that any items, plans, specifications or information furnished in connection with the specific implementation of this MOA are classified by either Government for security purposes, the other Government shall maintain a similar classification and employ all measures necessary to preserve such security equivalent to those measures employed by the classifying Government throughout the period during which the classifying Government may maintain such classifications.
2. The operating procedures for the implementation of the General Security Information Agreement, dated 25 March 1963, between the Governments apply to activities under this Memorandum of Agreement.

ARTICLE IVDURATION

1. This MOA will remain in effect for a five-year period following its signing and will be extended for successive five-year periods, if at the end of each five-year interval the Governments mutually agree to such an extension.
2. If, however, either Government considers it necessary for compelling national reasons to terminate its participation under this MOA before the end of the five-year period, or any extension thereof, written notification of its intention will be given to the other Government six months in advance of the effective date of termination. Such notification of intent shall become a matter of immediate consultation with the other Government to enable the Governments fully to evaluate the consequences of such termination and, in the spirit of cooperation, to take such actions as necessary to alleviate problems that may result from the termination. In this connection, although the MOA may be terminated by the Parties, any contract entered into consistent with the terms of this MOA shall continue in effect, unless the contract is terminated in accordance with its own terms. Moreover, Article 1, Sections 4 and 6 and Article III of this MOA will continue in full force and effect after, and notwithstanding, the expiration or termination of this MOA.

For the Government of Israel

The Minister of Defense

For the United States Government

The Secretary of Defense

E. Weizman [1]

Harold Brown [2]

Date 19 March 1979

Date 19 March 1979

¹ E. Weizman.

² Harold Brown.

ANNEX ALISTING OF COOPERATIVE R&D EFFORTS

1. Development Data Exchange Program. General revitalization of existing annexes to improve exchange of development data with specific emphasis in the following areas:

(To be jointly determined by both Governments)

- II. Complementary/Competitive Development Programs

(To be jointly determined by both Governments. "Competitive Development Programs" refers to programs to be conducted in one of the countries addressing defense equipment needs that are the subject of development work in the other country with the objective of affording an alternate means for satisfying such needs.)

- III. Scientist-Engineer Exchange Program

(To be jointly determined by both Governments)

ANNEX B

Listing of non R&D items of equipment and services covered by this MOA.

(To be jointly determined by both Governments)

ATTACHMENT 1

Membership, terms of reference for the joint U.S. DoD-Israel MOD Committee, designated points of contact, and arrangements concerning implementation of the MOA.

TIAS 9434

BANGLADESH
Agricultural Commodities

*Agreement signed at Dacca April 25, 1979;
Entered into force April 25, 1979.
With agreed minutes and related letter.*

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC
OF BANGLADESH FOR SALES OF AGRICULTURAL COMMODITIES
UNDER PUBLIC LAW 480, TITLE I^[1] PROGRAM**

The Government of the United States of America and the Government of the People's Republic of Bangladesh have agreed to the sales of agricultural commodities specified below. This Agreement shall consist of the Preamble, Parts I and III, of the PL-480, Title I Agreement of October 4, 1974, [2] together with the following Part II:

PART II - PARTICULAR PROVISIONS

Item I. Commodity Table

Commodity	Supply Period (U. S. Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions)
Soybean/Cottonseed Oil	1979	10,000	\$6.1

Item II. Payment Terms

Convertible Local Currency Credit

1. Initial Payment - None.
2. Currency Use Payment - One percent for Section I04(A) purposes.
3. Number of Installment Payments - Thirty-one.
4. Amount of Each Installment Payment - Approximately equal annual installments.
5. Due Date of First Installment Payment - Ten years after date of last delivery of commodities in each calendar year.
6. Initial Interest Rate - Two percent.
7. Continuing Interest Rate - Three percent.

¹ 68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

² TIAS 7949; 25 UST 2833.

Item III. Usual Marketing Table

Commodity	<u>Import Period (U. S. Fiscal Year)</u>	<u>Usual Marketing Requirements (Metric Tons)</u>
Edible Vegetable Oil and/or Oil Bearing Seeds (Oil Equivalent Basis)	1979	None

Item IV. Export Limitations

(A) The export limitation period shall be U. S. fiscal year 1979 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, 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, rape-seed oil and any other edible vegetable oil or oil bearing seeds from which these oils are produced, except for 5,000 metric tons of sesame seed and 10,000 metric tons of peanuts for use other than crushing.

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) To increase domestic production, the Bangladesh Government agrees to: (1) Pursue agricultural research goals which aim to increase and diversify food production; (2) Take effective measures to disseminate agricultural research information through the extension service and by other means to Bangladesh farmers; (3) Strengthen rural institutions and promote participation in agriculture and other productive processes; and (4) Strengthen and expand cash-based rural works programs that generate increased purchasing power for the rural poor.

(C) To improve planning for agricultural development and the food needs of its population, the Government of Bangladesh agrees to develop policy options with respect to the rationalization of agricultural development goals, rural income, employment goals and maintenance of reliable supplies of foodgrains.

(D) To improve access of poorer segments of the population to food, while increasing domestic food production, the Government of Bangladesh agrees to a gradual shift of the ration system toward the more vulnerable groups, beginning in 1979. This effort will include reducing the subsidy and/or quantity of the ration in the statutory ration areas, except under emergency conditions. Except under emergency conditions, the Bangladesh Government will (1) continue to limit distribution of foodgrains in 1979/80 made under the Modified Ration System to Class A cardholders, and (2) limit edible oil distribution in the Modified Ration System to Classes A, B and C cardholders.

(E) To protect its food supplies, the Bangladesh Government agrees to continue to improve and upgrade foodgrain storage and stock management to ensure the effective and economic management of its foodgrain stock and distribution systems.

(F) Continue to constrain edible oil offtakes from the public ration system except Modified Ration and Relief at the level of 3,000 Metric Tons per month except under emergency conditions.

(G) Maintain the overall ration price of edible oil to equal or exceed the import value CIF Chittagong.

Item VI. Economic Development Purposes For Which Proceeds Accruing To Importing Country Are To Be Used

The importing country undertakes to use the commodities provided hereunder (other than any part of such commodities excluded herefrom by subsequent agreement of the parties) or the proceeds generated by their sale, for specific projects or programs which directly benefit the needy people of that country, and to furnish to the exporting country information that demonstrates how such projects or programs will benefit such needy people. Such information shall be deemed to be incorporated in, and to be part of, this Agreement.

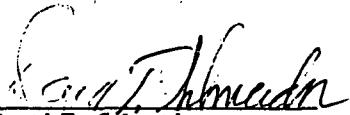
A report of such use shall be submitted by the importing country within six months after the last delivery of commodities to the importing country hereunder.

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

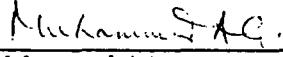
Done at Dacca, in duplicate, this 25th day of April 1979.

FOR THE GOVERNMENT OF
THE UNITED STATES
OF AMERICA

FOR THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC
OF BANGLADESH



David T. Schneider
Ambassador Extraordinary
and Plenipotentiary



Mohammed Ali
Joint Secretary
External Resources Division
Ministry of Finance

AGREED MINUTES OF MEETINGS BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA (USG) AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH (BDG) FOR NEGOTIATING A PL-480, TITLE I AGREEMENT FOR FY 1979

1. Reference to the FY 1975 PL-480, Title I Agreement:

USG officials pointed out that the Preamble, Part I and Part III of the FY 1975 PL-480, Title I Agreement signed October 4, 1974, and the agreed minutes contained herein, will be considered an integral part of the FY 1978 PL-480, Title I Agreement.

2. Financial Terms:

USG officials explained that the financing, as set forth in Part II, Item II of the proposed agreement, provides for \$6.1 million under the same convertible local currency terms as in the FY 1978 Title I Agreement.

3. Commodity Composition:

(A) USG officials explained that the commodity composition as shown in Part II, Item I of the proposed agreement, provides for 10,000 metric tons of soybean/cottonseed oil with an export market value of \$6.1 million.

(B) USG officials advised that the USG is providing only crude degummed soybean oil in bulk as the price for refined oil in drums would substantially reduce the quantity that can be made available under the proposed program. Furthermore, the inclusion of only a relatively small quantity of refined vegetable oil in drums would inordinately increase shipping costs. USG

officials referred to the letter dated April 25, 1979 from Ambassador David T. Schneider to Mr. Mohammed Ali, Joint Secretary, External Resources Division, Ministry of Finance concerning the budgetary limitations. USG officials stated that the USG considersthe letter a part of the proposed agreement and that the letter would be published with the agreement in the United States.

(C) USG officials explained that in view of limitations during the current fiscal year on PL-480 funds and commodities, the export market value of \$6.1 million specified in Part II of the proposed agreement may not be exceeded. U.S. officials pointed out that, as explained in Article I (E) of Part I of the agreement, if vegetable oil prices increase over those contemplated in Part II of the agreement, the quantity to be financed under the agreement will be less than the approximate maximum quantity - 10,000 metric tons - set forth in Part II. However, should prices of vegetable oil decrease, the quantity to be financed will be limited to the 10,000 metric tons specified in Part II.

4. Usual Marketing Requirements:

USG officials explained that Part II, Item III of the draft agreement does not provide for a Usual Marketing Requirement (UMR) for vegetable oil in FY 1979. The USG has waived the usual requirement for procuring a five-year average of commercial imports from non-communist country sources because of financial and economic constraints faced by Bangladesh.

USG officials advised that the USG was extending the permissible export waiver for 5,000 metric tons of sesame seed and 10,000 tons of peanuts to cover Fiscal Year 1979 or the second year of the three year period requested by the BDG to export these oilseeds. USG officials explained, however, that granting of this waiver was conditioned on the following points:

- 1) The oilseeds cannot be sold for crushing or oil extracting purposes.
- 2) The BDG will take specific steps to expand and enhance oilseed oil extracting facilities in Bangladesh to handle current and future oilseed production. The USG looks to the BDG for progress in this area.
- 3) The BDG will provide information and data on compliance with these conditions in reports submitted to the U.S. Embassy.

5. Self-help Measures and Use of Proceeds:

USG officials explained that Sections 106(b) and 109(a) of U.S. Public Law 480 require specific emphasis on implementation of self-help measures so as to contribute directly to development progress in poor rural areas and to enable the poor to participate actively in increasing agricultural production through small farm agriculture. These requirements are reflected in Part II, Item V of the draft agreement.

USG officials explained further, with reference to Part II, Item VI of the draft agreement, "Economic Development Purposes

for which Proceeds Accruing to Importing Countries are to be Used", that the BDG must indicate specific projects or programs which will utilize the vegetable oil or proceeds in a manner that will directly benefit the needy. BDG officials proposed, and USG officials agreed that the use of vegetable oil as set forth in Item V, paragraph D for categories A, B and C cardholders of the Modified Ration System is in fulfillment of Part II, Item VI of the agreement.

The USG representatives noted the BDG's promise at the last AID Group meeting to establish a technical cell under the Cabinet Committee on Food to look after operational as well as policy formulation functions. The USG representatives reminded the BDG representatives that the U. S. viewed the establishment of a food policy cell as critical for achieving Bangladesh's development goals in agricultural development. The USG representatives stated that continued lack of progress in this area would affect future PL-480 agreements.

6. Reporting Requirements:

USG officials emphasized that reports required by the draft agreement are obligatory and essential to fulfillment of the agreement. They referred specifically to the report required from the BDG under Part II, Item VI of the draft agreement concerning benefits to needy people from the use of the vegetable oil and reports under Part I, Article III (2) of the agreement concerning compliance, arrival shipping information, self-help and use of proceeds.

7. Other Requirements:

USG officials informed the BDG officials that recent U.S. legislation (The International Development and Food Assistance Act, effective October 1, 1977,^[1] and the Food and Agriculture Act of 1977)^[2] and amendments to Title I Financing Regulations contain certain provisions affecting the development, implementation and operation of PL-480 programs. These provisions were described as follows:

1. Purchase authorizations will be issued under the Agreement only after the Secretary of Agriculture has determined that (a) adequate storage facilities are available in the recipient country at the time of exportation to prevent the spoilage or waste of the commodity, and (b) the distribution of the commodity in the recipient country will not result in a substantial disincentive to domestic production. This preliminary determination has been made by the Secretary of Agriculture.

2. Purchases of food commodities under the Agreement must be made on the basis of invitations for bid (IFB) publicly advertised in the United States and on the basis of bid offerings which must conform to the IFB. Bid offering must be received and publicly opened in the United States. All awards under IFB's must be consistent with open, competitive and responsive bid procedures.

3. Terms of all IFB's (including IFB's for ocean freight) must be approved by the General Sales Manager/USDA prior to issuance.

4. Commissions, fees or other payments to any selling agent are prohibited in any purchase of food commodities under the Agreement.

¹91 Stat. 533; 22 U.S.C. § 2151 note.

²91 Stat. 913; 7 U.S.C. § 1281 note.

5. If the Government of Bangladesh nominates a purchasing agent and/or shipping agent to procure commodities or arrange ocean transportation under the Agreement the BDG must notify the General Sales Manager/USDA in writing of such nomination and provide along with the notification a copy of the proposed agency agreement. All purchasing and shipping agents must be approved by the General Sales Manager's office in accordance with new regulatory standards designed to eliminate certain potential conflicts of interest.

8. Implementation of the Agreement:

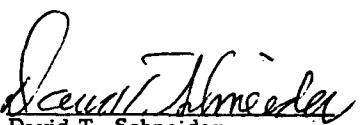
During the negotiations USG officials requested and received from the BDG officials assurances that arrangements have been made by appropriate BDG authorities to relay to its Washington Embassy all instructions, information and authority necessary to enable timely implementation of the Agreement, including (1) commodity specifications, (2) contracting and delivery periods, (3) names and addresses of U.S. and foreign banks handling transactions (letters of credit for commodity and freight), (4) authority to request and sign purchase authorizations and other necessary documents, (5) complete instructions/information/authority regarding arrangements for purchasing commodities and contracting for freight (including the appointment of purchasing and/or shipping agents if applicable), and (6) instructions to contact Program Operations Division, Office of the General Sales Manager, USDA regarding the foregoing.

9. Letters of Credit:

USG officials advised BDG officials that U.S. commodity suppliers are refusing to load vessels when acceptable letters of credit for both commodity and freight supplier are not available at the time of loading. This has already resulted in costly claims by vessel owners for demurrage and/or detention claims and carrying charges by commodity suppliers. Delays in opening letters of credit and settlement of final ten percent of freight will also result in higher commodity prices and freight rates. BDG officials assured USG officials that appropriate measures will be taken to ensure that operable letters of credit for both commodity and freight will be opened and confirmed by designated U.S. banks immediately after contracting under each purchase authorization is concluded, and before vessels arrive at loading ports. USG officials advised, with particular regard to ocean freight, that letters of credit for 100 percent of ocean freight charges must be opened in favor of the supplier of the ocean transportation prior to the vessel's presentation for loading.

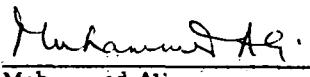
The above sets forth the understanding between the USG and the BDG.

FOR THE GOVERNMENT OF
THE UNITED STATES OF
AMERICA


David T. Schneider
Ambassador Extraordinary
and Plenipotentiary

April 25, 1979

FOR THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC
OF BANGLADESH


Mohammed Ali
Joint Secretary
External Resources Division
Ministry of Finance

April 25, 1979

[RELATED LETTER]

EMBASSY OF THE
UNITED STATES OF AMERICA
Dacca, Bangladesh

Mr. Mohammed Ali
Joint Secretary
External Resources Division
Ministry of Finance
Sher-e-Bangla Nagar
Dacca - 15

April 25, 1979

Dear Mr. Ali:

I refer to the negotiations between officials of our two governments for the provision of edible vegetable oil with an export value not to exceed \$6.1 million under PL-480 Title I for FY 1978/79. During the negotiations, U.S. officials informed you and your colleagues that because of budget and commodity constraints, the U.S. Government is not able to meet in full your government's official request for various commodities under PL-480 for FY 1978/79.

I wish to restate that severe U.S. budget limitations and higher commodity prices have reduced PL-480 funding availability and necessitated a reduction in the commodity size of the overall PL-480 Title I program for FY 1979. Therefore, the U.S. Government is able to meet only a portion of your government's request for commodities. Wheat requested by your government is the subject of current negotiations for an FY 1978/79 PL-480 Title III program.

The U.S. Government considers this letter a part of the FY 1978/79 PL-480 Title I Agreement and the Agreed Minutes to be signed April 25, 1979. This letter will be published together with the Agreement and the Agreed Minutes in the official records of the United States.

Sincerely,

David T. Schneider
Ambassador

MEXICO
Frequency Modulation Broadcasting

*Agreements amending the agreement of November 9, 1972,
as amended.*

Effectuated by exchange of notes

*Signed at Tlatelolco and México March 20 and November 9, 1978;
Entered into force November 9, 1978.*

And exchange of notes

*Signed at Tlatelolco and México February 2 and April 24, 1979;
Entered into force April 24, 1979.*

The Mexican Secretary of Foreign Relations to the American Ambassador

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D. F., a 20 de marzo de 1978.

Señor Embajador:

504506 Tengo el agrado de referirme 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, en vigor a partir del 9 de agosto de 1973, para informar a Vuestra Excelencia que la Dirección General de Telecomunicaciones, de la Secretaría de Comunicaciones y Transportes de los Estados Unidos Mexicanos, tomando en consideración las diversas modificaciones que ha sufrido el Convenio de que se trata, desea que la presente nota y la de respuesta de Vuestra Excelencia manifestando la conformidad de su Gobierno, sustituyan los Canjes de Notas de fechas 21 de agosto de 1975, 21 de noviembre de 1975, 9 y 15 de septiembre de 1976, quedando las Tablas de Asignación de Canales de la siguiente forma:

A handwritten signature in black ink, appearing to read "S. Roel". A small superscript "[1]" is positioned to the right of the signature.

Al Excelentísimo Señor
Patrick Joseph Lucey,
Embajador de los Estados Unidos de América,
México, D. F.

¹ S. Roel.

ANEXO II

PLAN DE ADJUDICACIONES

CUADRO A

ESTADOS UNIDOS MEXICANOS

ESTADO **NUMERO DE CANAL**

Baja California

Algodones	230A ⁴ , 245A ⁴ , 264A ⁴
Ciudad Morelos	288A 214B, 296B
Ensenada	206A, 221A, 234A, 238A, 250A 254A 245B, 262B, 266B 238C, 290C
Mexicali	285A 210B, 218B, 222B, 270B, 277B 281C
Rosario	268B, 272B, 276B, 280B, 292B 296B, 300B 288C
San Felipe	202B, 206B, 230B, 234B, 238B 246B
San Quintín	236B, 240B, 244B, 248B, 256B 260B, 264B 252C
San Telmo	204B, 220B, 224B, 232B
Santa Catarina	250B, 254B, 258B, 262B, 266B 270B, 274B, 282B
Tecate	299A
Tijuana	204A, 233A ² , 239A, 255A, 259A 297A 223B, 273B ³ , 283B ¹ 212C, 216C

Chihuahua

Ascención	296B 240C, 277C
Balderas	267A 236B 206C, 300C
Ciudad Camargo	248B, 275B, 289B, 293B 241C
Ciudad Cuauhtémoc	277B, 281B, 285B, 260B 252C
Ciudad Guerrero	246A 201B, 205B, 274B 270C
Ciudad Jiménez	282B, 286B, 298B 217C, 221C, 225C
Ciudad Juárez	278A, 286A 282B, 290B 252C, 264C, 294C, 298C
Chihuahua	203B, 207B, 227B, 231B, 235B 239B, 279B, 283B, 287B, 295B 299B, 211C, 215C, 219C, 291C
Delicias	263A 229B, 233B, 237B 255C, 267C
El Porvenir	217A 284B, 288B 256C
El Sueco	262A 266B
Encinillas	247B, 272B, 223C, 243C
Guadalupe Bravos	210A ⁴
Hidalgo del Parral	212A 206B, 245B, 261B, 273B 257C, 269C

Las Palomas	245B, 262B, 269B, 273B
Los Moscos	205A ⁴ , 283A ⁴ 210B ⁴ 292C ⁴
Madera	276A 241B, 264B, 289B, 293B
Nuevo Casas Grandes	244A 213B, 236B, 281B, 285B
Ojinaga	261B, 265B, 269B, 273B 209C, 245C, 249C
San Buenaventura	228B, 232B, 258B 250C
Ventanas	213B ⁴ , 216B ⁴ , 240B ⁴ 280C ⁴ , 296C ⁴

Coahuila

Ciudad Acuña	225A, 259A, 264A, 297A 238B, 276B 218C, 280C
Cuatro Ciénegas	239A, 243A, 274A 223B, 247B, 284B 205C, 213C
General Cepeda	289C
Guadalupe	260A, 264A 201B, 221B, 252B
Jiménez	222A ⁴ , 227A ⁴ , 248B ⁴
La Rosita	262A, 274A 270B, 278B
Monclova	262A 254B, 258B, 281B, 296B
Muzquiz	216B, 232B, 294B
Parras de la Fuente	266A, 270A, 294A 298B

Piedras Negras 233A, 256A, 260A, 273A, 296A
 288B, 292B, 300B
 244C, 268C

Sabinas 266A, 298A
 220B
 290C

Saltillo 234A, 249A, 261A, 265A
 209B, 244B

San Carlos 252A

San Vicente 214B, 227B, 231B, 235B, 239B
 222C, 254C

Villa Uniñn 202A, 263A
 240C

Nuevo León

Anáhuac 295A

Cerralvo 264A

General Bravo 208A, 221A

Linares 237A, 297A, 277B

Montemorelos 212A, 249A, 261A

Monterrey 207A, 211A, 215A, 235A, 251A, 263A
 223B, 227B, 231B, 247B, 255B, 259B
 267B, 295B, 299B
 203C, 219C, 239C, 271C, 275C, 279C
 283C, 287C, 291C

Sabinas Hidalgo 208A, 249A, 265A, 293A

Sonora

Agua Prieta 253A
 247B, 267B

Benjamín Hill 211B

Caborca	257A 261B, 296B, 300B 237C
Cananea	272B, 276B, 280B, 284B
El Golfo	251B, 263B, 267B, 275B 279C
Hermosillo	214B, 222B, 234B, 238B, 242B, 258B 262B, 266B, 274B, 282B, 286B 218C, 230C, 246C, 253C
Magdalena	232B, 263B
Naco	233A ₄ , 251A 260B ₄ 227C
Nacozari	256A, 265A 288B
Nogales	248A 244B ₁ , 274B, 278B, 282B, 286B 290C, 294C
Puerto Kino	201B, 205B, 289B 269C, 297C
Puerto Libertad	207A 241B 226C
Puerto Lobos	233A, 245A, 289A 277B, 281B, 285B 273C
Puerto Peñasco	228B, 287B, 291B
Sasabe	204B, 266B, 270B 208C
San Luis Rfo Colorado	203A, 273A 292B, 300B
Sonoita	239A 211B, 231B, 243B, 247B

Tecoripa 224A
 220B, 228B, 232B, 240B
 244C, 248C

Ures 225A
 236B
 292C, 299C

Tamaulipas

Ciudad Alemán	265A
Ciudad Camargo	269A 213B
Ciudad Guerrero	261A, 297A
Ciudad Victoria	248B, 296B 233C, 241C, 252C, 257C, 269C, 273C 281C, 300C
Matamoros	212A, 249A, 268A, 276A, 290A 296B
Nuevo Laredo	231A, 246A, 262A, 272A, 279A, 283A 287A, 296A 205B, 217B, 257B ¹
Reynosa	207A, 211A, 215A, 237A, 266A, 277A 294A 273B 226C
Santander Jiménez	225B, 229B, 289B 285C
San Fernando	265B
Soto la Marina	205B, 209B 213C, 217C
Valle Hermoso	209A, 217A, 287A 222B
Los Villareales	220A ⁴ , 286A ⁴ , 290A ⁴

Notas

- 1 Adjudicación negociada especialmente con separación inferior a la establecida. La estación puede ser operada con parámetros máximos.
- 2 Operación limitada a: $P_e=2\text{kW}$ $h=61\text{m}$ a 330° (norte verdadero) o su equivalente (94 dbu en la frontera) F (50-50).
- 3 Operación limitada a: $P_e=0.400\text{kW}$ $h=50\text{m}$ a 347° (norte verdadero) o su equivalente (82 dbu en la frontera) F (50-50).
- 4 Canal negociado después de la fecha de entrada en vigor del Convenio.

ÁNEXO II
PLAN DE ADJUDICACIONES
CUADRO B
ESTADOS UNIDOS DE AMÉRICA

ESTADO	NUMERO DE CANAL
<u>Arizona</u>	
Ajo	220C, 252A
Apache Junction	296A
Benson	249A
Bisbee	221A
Bullhead City	272A ⁵
Casa Grande	288A
Chandler	300C ⁵
Claypool	252A
Clifton	237A
Coolidge	280A
Douglas	201C, 205A, 211A, 237A
Eloy	292A
Glendale	222C
Globe	211A, 262C
Green Valley	221A ⁵
Holbrook	221A
Kingman	211A, 220C, 224A
Lake Havasu City	240A

McNary	201A
Mesa	227C, 284C
Miami	276A
Nogales	217C, 252A
Payson	280A ⁵
Parker	211A, 257A ⁵
Phoenix	202C, 208A, 212A, 218C, 233C, 238C, 245C, 254C, 260C ⁵ , 268C, 273C
Prescott	208A, 214C, 252A
Safford	215C, 220A, 231C, 256C
San Manuel	288A ⁵
Scottsdale	264C ⁵
Sedona	261A ⁵
Sierra Vista	265A
Sun City	292A
Tempe	250C
Tucson	213C, 225C, 229C, 241C ¹ 258C, 298C ⁵
Wickenburg	209A, 288A
Willcox	252A
Yuma	201A, 205A, 226C, 236C
<u>California</u>	
Anaheim	240A
Apple Valley	272A
Banning (Big Bear Lake)	269A
Barstow	232A

Blythe	262B
Brawley	233B ¹ , 241B
Buena Park	211D
Calexico	249A
Calipatria	265A
Carmarillo	240A
Carlsbad	240A
Carpenteria	269A ⁵
Cathedral City	253B ⁵
Claremont	204A
Coachella	229B
El Cajon	227B
El Centro	298B ⁵
Escondido	221A
Fallbrook	296A
Garden Grove	232A
Glendale	270B
Hemet	288A
Holtville	261A
Imperial	257A
Indio	276A ⁵
Inglewood	280A
Irvine	210D
La Cañada	202D
Lake Arrowhead	280A ⁵
Lancaster	292A

Loma Linda	202D
Lompoc	224A
Long Beach	201A, 211D, 250B, 272A, 288A
Los Angeles	205A, 214B, 218B, 222B, 226B, 230B, 234B, 238B, 242B, 246B, 254B, 258B, 262B, 266B, 274B, 278B, 282B, 286B, 290B, 298B
Mission Viejo	203A ⁵
Mojave	249A
Moorpark	216B ⁵
Needles	250B
Newport Beach	276A
Northridge	203A
Oceanside	271B
Ojai	288A
Ontario	228A
Oxnard	252A, 284B, 212B ⁵
Palm Springs	265A ⁵ , 284B ¹ , 291B ⁵
Pasadena	207B, 294B
Redlands	206A, 244A
Redondo Beach	228A
Riverside	201D, 209A, 224A, 248B, 256B
San Bernardino	220B, 236B, 260B
San Clemente	300B
San Diego	202A, 208B, 231B ² , 235B ³ , 243B, 247B, 251B, 264B, 268B, 275B ⁴ , 279B 287B, 293B
San Fernando	232A

Santa Ana	244A, 292A
Santa Barbara	218B, 229B, 248B, 260B, 277B
Santa Mónica	210B, 276A
Santa Paula	244A ⁵
Sierra Madre (Arcadia)	296A
Thousand Oaks	224A
Torrence	209D
Twenty-nine Palms	239B
Ventura	236B, 264B
Victorville	276A ⁵
Walnut	211D ⁵
West Covina	252A
<u>New México</u>	
Alamogordo	201C, 208A, 232A, 288A
Artesia	219A, 225C
Belen	249A
Carlsbad	211A, 215C, 221A
Deming	218A, 232A
Eunice	265A
Hobbs	211A, 231C, 239C
Jal	296A
Las Cruces	209A, 214C, 276A, 280A
Lordsburg	220A, 249A
Lovington	220A, 269A
Mesilla Park	285A

Roswell	213C, 217A, 235C, 246C
Ruidoso	228A
Silver City	212C, 217A, 224A
Socorro	208A, 216C, 224A
Truth or Consequences	220A, 244A
Tularosa	224A
<u>Texas</u>	
Alice	221A, 272A
Alpine	219C, 224A
Andrews	209A, 288A
Austin	204A, 208C, 213C ⁵ , 229C, 238C, 252A, 264C, 272A,
Ballinger	211A, 276A
Beeville	218A, 285A
Big Lake	211A, 252A
Big Spring	203C, 207A, 237A
Bishop	296A
Bracketville	212A
Brady	219A ⁵ , 237A
Brownfield	280A ⁵
Brownsville	202A, 258C, 262C
Brownwood	205C, 212A, 257A, 268C, 281C
Burnet	296A
Carrizo Springs	201A, 228A
Coleman	220A, 296A

Colorado City	211A, 292A
Corpus Christi	212C, 220A, 230C, 238C, 243C, 256C ¹ 260C
Conulla	203A, 249A
Crane	205A, 265A
Crystal City	214A, 272A
Cuero	210A, 249A
Del Rio	204C, 214A, 232A
Devine	221A ⁵
Eagle Pass	208C, 213A, 224A
Edinburg	203A, 281C, 300C
Eldorado	219A
El Paso	203C, 208A, 222C, 226C, 230C, 234C 238C, 242C, 248C, 260C, 271C
Fabens	276A
Falfurrias	218A, 292A
Floresville	232A ⁵
Fort Stockton	201C, 206A, 232A
Fredericksburg	201A, 266C
Freer	214A, 240A
Goliad	216A
Gonzales	220A ⁵ , 292A
Harlingen	205A, 233C, 241C
Hebronville	220A, 269A
Hondo	202A
Junction	212A, 228A

Kenedy-Karnes	201A ⁵ , 221A ⁵
Kermitt	212A, 292A
Kerrville	216A, 232A
Kingsville	216A, 224A, 249A
Lamesa	210A, 262C, 284C
Laredo	201A, 210C, 224A, 235C, 251C
Llano	203A, 285A
McAllen	253C, 245C
McCamey	237A
Marfa	203A, 228A
Mathis	252A
Mercedes	292A
Midland	211A, 222C, 227C, 277C ⁵
Mission	288A
Monahans	210A, 260C, 271C ⁵
New Braunfels	221A
Odessa	213A, 217C, 245C, 250C, 256C
Ozona	213A, 232A
Pecos	205A, 252A
Pleasanton	252A
Port Lavaca	201A, 240A
Premont	285A
Presidio	202A
Raymondsville	201A, 269A
Refugio	292A

TIAS 9436

Rio Grande City	201A, 249A
Rock Port	217A, 272A
Rocksprings	210A
San Angelo	215C, 220A, 225C, 230C, 234C, 248C
San Antonio	206C, 219A ⁵ , 225C, 241C, 247C 258C, 262C, 270C, 274C, 283C, 298C 211A ⁵
Sanderson	207A
San Marcos	218A ⁵ , 279C
San Saba	210A, 244A
Seguin	202A ⁵ , 287C
Seminole	205A, 292A ⁵
Sinton	267C, 277C
Sonora	211A, 221A
Sweetwater	213A, 244A
Taft	288A
Terrell Hills	292A
Uvalde	216A, 237A
Van Horn	202A
Victoria	203A, 236C, 254C, 300C ⁵
Weslaco	285A
Zapata	202A

Notas

- 1 Adjudicación negociada especialmente con separación inferior a la establecida. La estación puede ser operada con parámetros máximos.
- 2 Operación limitada a: $P_e=100\text{kW}$ $h=213\text{m}$ o su equivalente (74 dbu en la frontera) F (50-50).
- 3 Operación limitada a: $P_e=2\text{kW}$ $h=554\text{m}$ o su equivalente (78 dbu en la frontera) F (50-50).
- 4 Operación limitada a: $P_e=50\text{kW}$ $h=56\text{m}$ o su equivalente (62 dbu en la frontera) F (50-50).
- 5 Canal negociado después de la fecha de entrada en vigor del Convenio.

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 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, como se ha mencionado, el cual entrará en vigor en la fecha de vuestra respuesta.

Aprovecho la oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta consideración.

A handwritten signature in black ink, appearing to read "K. Shadley". The signature is fluid and cursive, with the initials "K." on the left and the surname "Shadley" following it.

The American Ambassador to the Mexican Secretary of Foreign Relations

EMBASSY OF THE
UNITED STATES OF AMERICA

Mexico, D. F., November 9, 1978

No. 1943

Excellency:

I take pleasure in acknowledging receipt of your Note No. 504506 dated March 20, 1978, which in English translation reads as follows:

"Mr. Ambassador: I have the pleasure to refer to the Agreement between the United Mexican States and the United States of America relating to Frequency Modulation Broadcasting in the 88 to 108 MHz Band, which entered into force August 9, 1973,^[1] in order to inform Your Excellency that the Bureau of Telecommunications of the Department of Communications of Transport of the United Mexican States, taking into consideration the various changes which this Agreement has undergone, requests that this note and Your Excellency's reply indicating the agreement of your Government, replace the Exchanges of Notes of August 21, 1975; November 21, 1975; and September 9 and 15, 1976, leaving the Tables of Channel Assignments in the following form:

His Excellency

Licenciado Santiago Roel García

Secretary of Foreign Relations

Mexico, D. F.

¹ Signed Nov. 9, 1972. TIAS 7697, 8152, 8301, 8412; 24 UST 1815; 26 UST 2120; 27 UST 2012, 3944.

ANNEX II

ALLOTMENT PLAN

PART A

UNITED MEXICAN STATES

<u>STATE</u>	<u>CHANNEL</u>
<u>Baja California</u>	
Algodones	230A ⁴ , 245A ⁴ , 264A ⁴
Ciudad Morelos	288A 214B, 296B
Ensenada	206A, 221A, 234A, 238A, 250A 254A 245B, 262B, 266B 238C, 290C
Mexicali	285A 210B, 218B, 222B, 270B, 277B 281C
Rosario	268B, 272B, 276B, 280B, 292B 296B, 300B 288C
San Felipe	202B, 206B, 230B, 234B, 238B 246B
San Quintin	236B, 240B, 244B, 248B, 256B 260B, 264B 252C
San Telmo	204B, 220B, 224B, 232B
Santa Catarina	250B, 254B, 258B, 262B, 266B 270B, 274B, 282B
Tecate	299A
Tijuana	204A, 233A ² , 239A, 255A, 259A 297A 223B, 273B ³ , 283B ¹ 212C, 216C

Chihuahua

Ascencióñ	296B 240C, 277C
Balderas	267A 236B 206C, 300C
Ciudad Camargo	248B, 275B, 289B, 293B 241C
Ciudad Cuauhtémoc	277B, 281B, 285B, 260B 252C
Ciudad Guerrero	246A 201B, 205B, 274B 270C
Ciudad Jiménez	282B, 286B, 298B 217C, 221C, 225C
Ciudad Juárez	278A, 286A 282B, 290B 252C, 264C, 294C, 298C
Chihuahua	203B, 207B, 227B, 231B, 235B 239B, 279B, 283B, 287B, 295B 299B 211C, 215C, 219C, 291C
Delicias	263A 229B, 233B, 237B 255C, 267C
El Porvenir	217A 284B, 288B 256C
El Sueco	262A 266B
Encinillas	247B, 272B, 223C, 243C
Guadalupe Bravos	210A ⁴
Hidalgo del Parral	212A 206B, 245B, 261B, 273B 257C, 269C

Las Palomas **245B, 262B, 269B, 273B**
Los Moscos **205A⁴, 283A⁴**
 210B⁴
 292C⁴
Madera **276A**
 241B, 264B, 289B, 293B
Nuevo Casas Grandes **244A**
 213B, 236B, 281B, 285B
Ojinaga **261B, 265B, 269B, 273B**
 209C, 245C, 249C
San Buenaventura **228B, 232B, 258B**
 250C
Ventanas **213B⁴, 216B⁴, 240B⁴**
 280C⁴, 296C⁴

Coahuila

Ciudad Acuña **225A, 259A, 264A, 297A**
 238B, 276B
 218C, 280C
Cuatro Ciénegas **239A, 243A, 274A**
 223B, 247B, 284B
 205C, 213C
General Cepeda **289C**
Guadalupe **260A, 264A**
 201B, 221B, 252B
Jiménez **222A⁴, 227A⁴, 248B⁴**
La Rosita **262A, 274A**
 270B, 278B
Monclova **262A**
 254B, 258B, 281B, 296B
Muñquiz **216B, 232B, 294B**
Parras de la Fuente **266A, 270A, 294A**
 298B

Piedras Negras	233A, 256A, 260A, 273A, 296A 288B, 292B, 300B 244C, 268C
Sabinas	266A, 298A 220B 290C
Saltillo	234A, 249A, 261A, 265A 209B, 244B
San Carlos	252A
San Vicente	214B, 227B, 231B, 235B, 239B 222C, 254C
Villa Unión	202A, 263A 240C

Nuevo León

Anáhuac	295A
Cerralvo	264A
General Bravo	208A, 221A
Linares	237A, 297A, 277B
Montemorelos	212A, 249A, 261A
Monterrey	207A, 211A, 215A, 235A, 251A, 263A 223B, 227B, 231B, 247B, 255B, 259B 267B, 295B, 299B 203C, 219C, 239C, 271C, 275C, 279C 283C, 287C, 291C
Sabinas Hidalgo	208A, 249A, 265A, 293A

Sonora

Agua Prieta	253A 247B, 267B
Benjamín Hill	211B

Caborca	257A 261B, 296B, 300B 237C
Cananea	272B, 276B, 280B, 284B
El Golfo	251B, 263B, 267B, 275B 279C
Hermosillo	214B, 222B, 234B, 238B, 242B, 258B 262B, 266B, 274B, 282B, 286B 218C, 230C, 246C, 253C
Magdalena	232B, 263B
Naco	233A ⁴ , 251A 260B ⁴ 227C
Nacozari	256A, 265A 288B
Mogales	248A 244B ¹ , 274B, 278B, 282B, 286B 290C, 294C
Puerto Kino	201B, 205B, 289B 269C, 297C
Puerto Libertad	207A 241B 226C
Puerto Lobos	233A, 245A, 289A 277B, 281B, 285B 273C
Puerto Peñasco	228B, 287B, 291B
Sasabe	204B, 266B, 270B 208C
San Luis Rio Colorado	203A, 273A 292B, 300B
Sonoita	239A 211B, 231B, 243B, 247B

Tecoripa 224A
 220B, 228B, 232B, 240B
 244C, 248C

Ures 225A
 236B
 292C, 299C

Tamaulipas

Ciudad Alemán 265A

Ciudad Camargo 269A
 213B

Ciudad Guerrero 261A, 297A

Ciudad Victoria 248B, 296B
 233C, 241C, 252C, 257C, 269C, 273C
 281C, 300C

Matamoros 212A, 249A, 268A, 276A, 290A
 296B

Nuevo Laredo 231A, 246A, 262A, 272A, 279A, 283A
 287A, 296A
 205B, 217B, 257B¹

Reynosa 207A, 211A, 215A, 237A, 266A, 277A
 294A
 273B
 226C

Santander Jiménez 225B, 229B, 289B
 285C

San Fernando 265B

Soto la Marina 205B, 209B
 213C, 217C

Valle Hermoso 209A, 217A, 287A
 222B

Los Villareales 220A⁴, 286A⁴, 290A⁴

Legend

- 1/ Specially negotiated allotment with less separation than established. Station may operate with maximum facilities.
- 2/ Limited to 200 feet above average terrain and 2 kilowatts at 330 degrees (True North), or equivalent (94 dbu at border) (F50,50).
- 3/ Limited to 164 feet above average terrain and 400 watts at 347 degrees (True North), or equivalent (82 dbu at border) (F50,50).
- 4/ Channel negotiated after the date the Agreement entered in force.

[Footnotes in the original.]

ANNEX II

ALLOTMENT PLAN

PART B

UNITED STATES OF AMERICA

<u>STATE</u>	<u>CHANNEL</u>
<u>Arizona</u>	
Ajo	220C, 252A
Apache Junction	296A
Benson	249A
Bisbee	221A
Bullhead City	272A ⁵
Casa Grande	288A
Chandler	300C ⁵
Claypool	252A
Clifton	237A
Coolidge	280A
Douglas	201C, 205A, 211A, 237A
Eloy	292A
Glendale	222C
Globe	211A, 262C
Green Valley	221A ⁵
Holbrook	221A
Kingman	211A, 220C, 224A
Lake Havasu City	240A

McNary	201A
Mesa	227C, 284C
Miami	276A
Nogales	217C, 252A
Payson	280A⁵
Parker	211A, 257A⁵
Phoenix	202C, 208A, 212A₅, 218C, 233C, 238C, 245C, 254C, 260C₅, 268C, 273C
Prescott	208A, 214C, 252A
Safford	215C, 220A, 231C, 256C
San Manuel	288A⁵
Scottsdale	264C⁵
Sedona	261A⁵
Sierra Vista	265A
Sun City	292A
Tempe	250C
Tucson	213C, 225C, 229C, 241C¹ 258C, 298C₅
Wickenburg	209A, 288A
Willcox	252A
Yuma	201A, 205A, 226C, 236C

California

Anaheim	240A
Apple Valley	272A
Banning (Big Bear Lake)	269A
Barstow	232A

Blythe	262B
Brawley	233B ¹ , 241B
Buena Park	211D
Calexico	249A
Calipatria	265A
Carmarillo	240A
Carlsbad	240A
Carpenteria	269A ⁵
Cathedral City	253B ⁵
Claremont	204A
Coachella	229B
El Cajon	227B
El Centro	298B ⁵
Escondido	221A
Fallbrook	296A
Garden Grove	232A
Glendale	270B
Hemet	288A
Holtville	261A
Imperial	257A
Indio	276A ⁵
Inglewood	280A
Irvine	210D
La Cañada	202D
Lake Arrowhead	280A ⁵
Lancaster	292A

Loma Linda	202D
Lompoc	224A
Long Beach	201A, 211D, 250B, 272A, 288A
Los Angeles	205A, 214B, 218B, 222B, 226B, 230B, 234B, 238B, 242B, 246B, 254B, 258B, 262B, 266B, 274B, 278B, 282B, 286B, 290B, 298B
Mission Viejo	203A ⁵
Mojave	249A
Moorpark	216B ⁵
Needles	250B
Newport Beach	276A
Northridge	203A
Oceanside	271B
Ojai	288A
Ontario	228A
Oxnard	252A, 284B, 212B ⁵
Palm Springs	265A ⁵ , 284B ¹ , 291B ⁵
Pasadena	207B, 294B
Redlands	206A, 244A
Redondo Beach	228A
Riverside	201D, 209A, 224A, 248B, 256B
San Bernardino	220B, 236B, 260B
San Clemente	300B
San Diego	202A, 208B, 231B ² , 235B ³ , 243B, 247B, 251B, 264B, 268B, 275B ⁴ , 279B 287B, 293B
San Fernando	232A

Santa Ana	244A, 292A
Santa Barbara	218B, 229B, 248B, 260B, 277B
Santa Monica	210B, 276A
Santa Paula	244A ⁵
Sierra Madre (Arcadia)	296A
Thousand Oaks	224A
Torrence	209D
Twenty-nine Palms	239B
Ventura	236B, 264B
Victorville	276A ⁵
Walnut	211D ⁵
West Covina	252A

New Mexico

Alamogordo	201C, 208A, 232A, 288A
Artesia	219A, 225C
Belen	249A
Carlsbad	211A, 215C, 221A
Deming	216A, 232A
Eunice	265A
Hobbs	211A, 231C, 239C
Jal	296A
Las Cruces	209A, 214C, 276A, 280A
Lordsburg	220A, 249A
Lovington	220A, 269A
Mesilla Park	285A

Roswell 213C, 217A, 235C, 246C
Ruidoso 228A
Silver City 212C, 217A, 224A
Socorro 208A, 216C, 224A
Truth or Consequences 220A, 244A
Tularosa 224A

Texas

Alice 221A, 272A
Alpine 219C, 224A
Andrews 209A, 288A
Austin 204A, 208C, 213C⁵, 229C, 238C,
 252A, 264C, 272A
Ballinger 211A, 276A
Beeville 218A, 285A
Big Lake 211A, 252A
Big Spring 203C, 207A, 237A
Bishop 296A
Bracketville 212A
Brady 219A⁵, 237A
Brownfield 280A⁵
Brownsville 202A, 258C, 262C
Brownwood 205C, 212A, 257A, 268C, 281C
Burnet 296A
Carrizo Springs 201A, 228A
Coleman 220A, 296A

Colorado City	211A, 292A
Corpus Christi	212C, 220A, 230C, 238C, 243C, 256C ¹ 260C
Cotulla	203A, 249A
Crane	205A, 265A
Crystal City	214A, 272A
Cuero	210A, 249A
Del Rio	204C, 214A, 232A
Devine	221A ⁵
Eagle Pass	208C, 213A, 224A
Edinburg	203A, 281C, 300C
Eldorado	219A
El Paso	203C, 208A, 222C, 226C, 230C, 234C 238C, 242C, 248C, 260C, 271C
Fabens	276A
Falfurrias	218A, 292A
Floresville	232A ⁵
Fort Stockton	201C, 206A, 232A
Fredericksburg	201A, 266C
Freer	214A, 240A
Goliad	216A
Gonzales	220A ⁵ , 292A
Harlingen	205A, 233C, 241C
Hebronville	220A, 269A
Mondo	202A
Junction	212A, 228A

Kenedy-Karnes	201A ⁵ , 221A ⁵
Kermit	212A, 292A
Kerrville	216A, 232A
Kingsville	216A, 224A, 249A
Lamesa	210A, 262C, 284C
Laredo	201A, 210C, 224A, 235C, 251C
Llano	203A, 285A
McAllen	253C, 245C
McCamey	237A
Maria	203A, 228A
Mathis	252A
Mercedes	292A
Midland	211A, 222C, 227C, 277C ⁵
Mission	288A
Monahans	210A, 260C, 271C ⁵
New Braunfels	221A
Odessa	213A, 217C, 245C, 250C, 256C
Ozona	213A, 232A
Pecos	205A, 252A
Pleasanton	252A
Port Lavaca	201A, 240A
Premont	285A
Presidio	202A
Raymondsville	201A, 269A
Refugio	292A

Rio Grande City	201A, 249A
Rock Port	217A, 272A
Rocksprings	210A
San Angelo	215C, 220A, 225C, 230C, 234C, 248C
San Antonio	206C, 219A ⁵ , 225C, 241C, 247C 258C ⁵ , 262C, 270C, 274C, 283C, 298C 211A ⁵
Sanderson	207A
San Marcos	218A ⁵ , 279C
San Saba	210A, 244A
Seguin	202A ⁵ , 287C
Seminole	205A, 292A ⁵
Sinton	267C, 277C
Sonora	211A, 221A
Sweetwater	213A, 244A
Taft	288A
Terrell Hills	292A
Uvalde	216A, 237A
Van Horn	202A
Victoria	203A, 236C, 254C, 300C ⁵
Weslaco	285A
Zapata	202A

Legend

- 1/ Specially negotiated allotment with less separation than established. Station may operate with maximum facilities.
- 2/ Limited to 100 kilowatts and 700 feet above average terrain, or equivalent (74 dbu at border) (F50,50).
- 3/ Limited to 2 kilowatts and 1800 feet above average terrain, or equivalent (78 dbu at border) (F50,50).
- 4/ Limited to 50 kilowatts and 185 feet above average terrain, or equivalent (62 dbu at border) (F50,50).
- 5/ Channel negotiated after the date the Agreement entered in force.

[Footnotes in the original.]

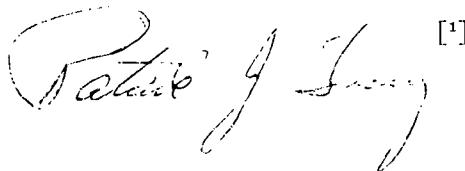
"If the above proposal is acceptable to Your Excellency's Government, I propose that this note and your reply constitute an Agreement modifying the Agreement between the United Mexican States and the United States of America relating to Frequency Modulation Broadcasting in the 88 to 108 MHz Band, as indicated and which would enter into force on the date of your reply.

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

The Federal Communications Commission agrees with the proposal to revise the Plan for Allotments appearing in Annex II to the Agreement as transcribed above so as to incorporate the changes made by the Exchanges of Notes dated August 21, 1975; November 21, 1975; and September 9 and 15, 1976, thus superseding the aforementioned notes, and incorporating those further changes which have been agreed by the Commission and the Director General of Telecommunications. Therefore, I have the honor to inform you that the Government of the United States of America considers that your note and this reply constitute an amendment to the Agreement between the United States of America and the United Mexican States concerning Frequency Modulation Broadcasting in the 88 to 108 MHz Band, which

entered into force on August 9, 1973, with the amendment to enter into force on the present date.

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

A handwritten signature in black ink, appearing to read "Patrick J. Lucey".[1]

¹ Patrick J. Lucey.

The Mexican Secretary of Foreign Relations to the American Ambassador

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D. F., a 2 de febrero de 1979.

Señor Embajador:

301411

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 comunicar a Vuestra Excelencia que de acuerdo con la coordinación efectuada entre funcionarios de la Dirección General de Telecomunicaciones y de la "Federal Communication Commision", se desea incluir en el Cuadro A del Plan de Adjudicaciones del Anexo II al Convenio de referencia, las siguientes adjudicaciones:

POBLACION, EDO. COORDENADAS GEOGRAFICAS FRECUENCIA CANAL CLASE

				MHz		
Cuervos,	B.C.N.	323735N	1145103W	98.9	255	B
				99.7	259	A
Tecolote,	B.C.N.	323345N	1145920W	97.3	247	A
Esperanza,	B.C.N.	323510N	1153503W	88.3	202	A
				89.1	206	A
				106.7	294	A
Tecate,	B.C.N.	323205N	1163858W	99.3	257	A

Al Excelentísimo Señor
Patrick Lucey,
Embajador de los Estados Unidos de América,
México, D. F.

TIAS 9436

POBLACION, EDO. COORDENADAS GEOGRAFICAS FRECUENCIA CANAL CLASE

				MHz		
Lagunita,	B.C.N.	322105N	1145458W	96.5	243	A
Estación Coahuila	B.C.N.	321130N	1145930W	105.1	286	A
José Mar tínez	Chih.	295915N	1044158W	92.9	225	B
				94.3	232	B
				104.9	285	B
				105.7	289	B
Cajoncitos, Chih.		305600N	1052930W	102.7	274	B
				90.5	213	A
				91.9	220	A
Esperanza, Chih.		310815N	1050815W	106.3	292	B
				100.3	262	B
Benavides, Chih.		290630N	1035457W	105.5	288	A
				107.9	300	A
Las Garzas, Chih.		290000N	1032225W	88.1	201	A
				88.9	205	A
				104.7	284	A
El Melón, Coah.		285630N	1024859W	99.5	258	B
				96.5	243	A
				97.5	248	A
San Francis- quito, Son.		313530N	1121930W	90.9	215	B
				103.9	280	A
				98.1	251	A
Colonia Reforma, Son.		314250N	1123730W	90.9	215	A
				101.3	267	A
				102.1	271	A

POBLACION, EDO. COORDENADAS GEOGRAFICAS FRECUENCIA CANAL CLASE

			MHz		
Sta. Cruz, Son.	311358N	1103605W	92.5	223	A
			95.7	239	B
San Pedro, Son.	311405N	1101103W	98.9	255	A
San Rafael, Tams.	265330N	993859W	96.3	242	A
			104.9	285	A
			105.7	289	A
Cd. Mier, Tams.	262530N	991003W	89.1	206	A
			93.9	230	A

Si la anterior propuesta es aceptable para el Gobierno de Vuestra Excelencia, propongo que esta Nota y la de respuesta, constituyan un Acuerdo que adiciona el Cuadro A del Anexo II del 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, que entrará en vigor en la fecha de Vuestra respuesta.

Aprovecho la oportunidad para renovar a Vuestra Excelencia el testimonio de mi más alta consideración.

The American Ambassador to the Mexican Secretary of Foreign Relations

EMBASSY OF THE
UNITED STATES OF AMERICA
Mexico, D. F., April 24, 1979

No. 697

Excellency:

I take pleasure in acknowledging receipt of your Note No. 301411 of February 2, 1979, which in English translation reads as follows:

"Mr. Ambassador: I have the honor to refer to the Agreement between the United Mexican States and the United States of America, relative to Frequency Modulation Broadcasting in the 88 to 108 MHz Band, which entered into force August 9, 1973, to inform Your Excellency that in accordance with the coordination effected between officials of the Directorate General of Telecommunications and the Federal Communications Commission, it is the wish to include the following assignments in Part A of the Allotment Plan of Annex II to the referenced Agreement:

His Excellency

Licenciado Santiago Roel Garcia
Secretary of Foreign Relations
México, D. F.

CITY/STATE	GEOGRAPHIC COORDINATES/FREQUENCY/CHANNEL/CLASS				
	MHz				
Cuervos, B.C.N.	323735N	1145103W	98.9	255	B
			99.7	259	A
Tecolote, B.C.N.	323345N	1145920W	97.3	247	A
Esperanza, B.C.N.	323510N	1153503W	88.3	202	A
			89.1	206	A
			106.7	294	A
Tecate, B.C.N.	323205N	1163858W	99.3	257	A
Lagunita, B.C.N.	322105N	1145458W	96.5	243	A
Estación Coahuila, B.C.N.	321130N	1145930W	105.1	286	A
José Martínez, Chih.	295915N	1044158W	92.9	225	B
			94.3	232	B
			104.9	285	B
			105.7	289	B
Cajoncitos, Chih.	305600N	1052930W	102.7	274	B
			90.5	213	A
			91.9	220	A
Esperanza, Chih.	310815N	1050815W	106.3	292	B
			100.3	262	B
Benavides, Chih.	290630N	1035457W	105.5	288	A
			107.9	300	A
Las Garzas, Chih.	290000N	1032225W	88.1	201	A
			88.9	205	A
			104.7	284	A
El Melón, Coah.	285630N	1024859W	99.5	258	B
			96.5	243	A
			97.5	248	A
San Francisquito, Son.	313530N	1121930W	90.9	215	B
			103.9	280	A
			98.1	251	A

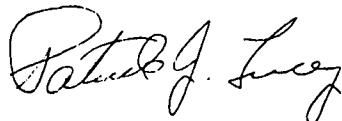
CITY/STATE	GEOGRAPHIC COORDINATES/FREQUENCY/CHANNEL/CLASS				
	MHz				
Colonia Reforma, Son.	3114259N	1123730W	90.9	215	A
			101.3	267	A
			102.1	271	A
Sta. Cruz, Son.	3111358N	1103605W	92.5	223	A
			95.7	239	B
San Pedro, Son.	3111405N	11011103W	98.9	255	A
San Rafael, Tams.	265330N	993859W	96.3	242	A
			104.9	285	A
			105.7	289	A
Cd. Mier, Tams.	262530N	991003W	89.1	206	A
			93.9	230	A

"If the foregoing proposal is acceptable to Your Excellency's Government, I propose that this note and your reply constitute an agreement that augments Table A of Annex II of the Agreement between the United Mexican States and the United States of America, relating to Frequency Modulation Broadcasting in the 88 to 108 MHz Band, which entered into force August 9, 1973, which will enter into force on the date of your reply.

"Accept, Excellency, the renewed assurances of my highest consideration."

The Federal Communications Commission is in agreement that the above-indicated assignments be included in Part A of the Allotment Plan of Annex II to the referenced Agreement. Therefore, I have the honor to inform you that the Government of the United States of America considers that your note and this reply constitute an amendment to the Agreement between the United States of America and the United Mexican States concerning Frequency Modulation Broadcasting in the 88 to 108 MHz Band, which entered into force on August 9, 1973, with the above amendments to enter into force on the present date.

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

A handwritten signature in black ink, appearing to read "Edward J. Tracy".

EGYPT

Agricultural Commodities

Agreements amending the agreement of November 8, 1978.

Effectuated by exchange of notes

Signed at Cairo March 20, 1979;

Entered into force March 20, 1979.

And exchange of notes

Signed at Cairo July 10, 1979;

Entered into force July 10, 1979.

The American Ambassador to the Egyptian Minister of Supply and Internal Trade

CAIRO, EGYPT
March 20, 1979

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 November 8, 1978,^[1] and to propose that the Agreement be amended as follows:

Part II, Item I, Commodity Table

Under appropriate columns for "Wheat/Wheat Flour" delete "1,500,000 and Dollars 214.0" and insert "1,395,000 and Dollars 199.0".

All other terms and conditions of the November 8, 1978 Title I Agreement remain the same.

I propose this Note and your reply concurring therein constitute an Agreement between our two Governments to be effective on the date of your Note in reply.

Accept, Excellency, the assurance of my highest consideration.

HERMANN FR. EILTS

His Excellency

NASSEF ABDEL MAKSOUD I. TAHOUN
Minister of Supply

¹ TIAS 9230; *ante*, 966.

The Egyptian Minister of Supply and Internal Trade to the American Ambassador

MINISTRY OF SUPPLY

AND INTERNAL TRADE

MAR 20 1979

Excellency:

I have the honor to acknowledge receipt of your Note of March 20, 1979, which reads as follows:

"I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on November 8, 1978, and to propose that the Agreement be amended as follows:

Part II, Item I, Commodity Table

Under appropriate columns for "Wheat/Wheat Flour" delete "1,500,000 and Dollars 214.0" and insert "1,395,000 and Dollars 199.0".

All other terms and conditions of the November 8, 1978 Title I Agreement remain the same.

I propose this Note and your reply concurring therein constitute an Agreement between our two Governments to be effective on the date of your Note in reply.

Accept, Excellency, the assurance of my highest consideration."

I have the honor to inform Your Excellency that the terms of the foregoing Note are acceptable to the Government of the Arab Republic of Egypt and that the Government of the Arab Republic of Egypt considers Your Excellency's Note and the present reply as constituting an Agreement between our two Governments on this subject, to enter into force on the date of this reply.

Accept, Excellency, the assurance of my highest consideration.

His Excellency

Hermann Frederick Eilts

Ambassador of the

United States of America

Cairo

 [1]

¹ Nasef Tahoun.

The American Ambassador to the Egyptian Minister of Supply and Internal Trade

Cairo, Egypt

July 10, 1979

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 November 8, 1978, as amended March 20, 1979, and to propose that the Agreement be further amended as follows:

Part II, Item I, Commodity Table
Under appropriate columns for "Wheat/Wheat Flour" delete "Dollars 199.0" and insert "Dollars 212.1".

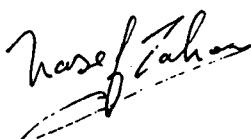
All other terms and conditions of the November 8, 1978 Title I Agreement, as amended, remain the same.

I propose this Note and your reply concurring therein constitute an Agreement between our two Governments to be effective on the date of your Note in reply.

Accept, Excellency, the assurance of my highest consideration.

His Excellency

Nassef Abdel Maksoud I. Tahoun
Minister of Supply

 [1]

¹ Alfred L. Atherton, Jr.

The Egyptian Minister of Supply and Internal Trade to the American Ambassador

MINISTER OF SUPPLY
AND INTERNAL TRADE

Cairo, Egypt
July 10, 1979

Excellency:

I have the honor to acknowledge receipt of your Note of July 10, 1979, which reads as follows:

"I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on November 8, 1978, as amended March 20, 1979, and to propose that the Agreement be further amended as follows:

Part II, Item I, Commodity Table
Under appropriate columns for "Wheat/
Wheat Flour" delete "Dollars 199.0"
and insert "Dollars 212.1".

All other terms and conditions of the November 8, 1978 Title I Agreement, as amended, remain the same.
I propose this Note and your reply concurring therein constitute an Agreement between our two Governments to be effective on the date of your Note in reply.
Accept, Excellency, the assurance of my highest consideration."

I have the honor to inform Your Excellency that the terms of the foregoing Note are acceptable to the Government of the Arab Republic of Egypt and that the Government of the Arab Republic of Egypt considers Your Excellency's Note and the present reply as constituting an Agreement between our two Governments on this subject, to enter into force on the date of this reply.

Accept, Excellency, the assurance of my highest consideration.

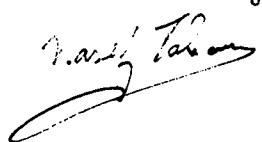
His Excellency

Alfred L. Atherton

Ambassador of the

United States of America

Cairo



JAMAICA
Agricultural Commodities

*Agreements amending the agreement of August 2, 1978,
as amended.*

Effectuated by exchange of notes

*Signed at Kingston March 7 and 29, 1979;
Entered into force March 29, 1979.*

And exchange of notes

*Signed at Kingston May 2, 1979;
Entered into force May 2, 1979.*

And exchange of notes

*Signed at Kingston July 5, 1979;
Entered into force July 5, 1979.*

*The American Chargé d'Affaires ad interim to the Jamaican Minister
of Foreign Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA

Kingston, Jamaica

March 7, 1979

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on August 2, 1978, as amended on September 5, 1978 and October 25, 1978^[1], and to propose that Part II, Particular Provisions, of that Agreement be further amended as follows:

In Item I, Commodity Table, on the line entitled "Blended/Fortified Foods" and under the column headed "Supply Period (United States Fiscal Year 1978)" change the entry to read "1978, plus October 1, 1978 through May 31, 1979."

All other terms and conditions of the August 2, 1978 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, we propose that this Note and your reply thereto constitute an Agreement between our two Governments, effective as of the date of your Note in reply.

Accept, Excellency, the assurances of my highest consideration.

Roy T. Haverkamp

His Excellency

P. J. Patterson

Minister of Foreign Affairs

Kingston

¹ TIAS 9188; *ante*, p. 213.

*The Jamaican Deputy Prime Minister and Minister of Foreign Affairs
and the Minister of Finance and Planning to the American Charge
d'Affaires ad interim*



172/01

29th March 1979

Excellency,

I have the honour to refer to your Note of
March 7th, 1979 which read as follows:

"I have the honour to refer to the Agricultural
Commodities Agreement signed by representatives of our two
Governments on August 2, 1978, as amended on September 5, 1978
and October 25, 1978, and to propose that Part II, Particular
Provisions, of that Agreement be further amended as follows:

In Item I, Commodity Table, on the line entitled
"Blended/Fortified Foods" and under the column headed "Supply
Period (United States Fiscal Year 1978)" change the entry to
read "1978, plus October 1, 1978 through May 31, 1979".

All other terms and conditions of the August 2, 1978
Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government,
we propose that this Note and your reply thereto constitute
an Agreement between our two Governments, effective as of the
date of your Note in reply."

His Excellency
Mr. Roy T. Haverkamp,
Charge d'Affaires a.t.,
Embassy of the United
States of America,
Mutual Life Building,
2 Oxford Road,
Kingston 5.

Please be advised that the Government of
Jamaica offers no objection to the proposed amendment,
and agrees that your Note and this reply shall constitute
an Agreement between our two Governments, effective as
of today's date.

Accept, Excellency, the assurances of my
highest consideration.



P. J. Patterson
Deputy Prime Minister and
Minister of Foreign Affairs



Eric Bell
Minister of Finance
and Planning

The American Ambassador to the Jamaican Minister of Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

Kingston, Jamaica

May 2, 1979

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on August 2, 1978, as amended September 5, 1978, October 25, 1978, and March 29, 1979, and to propose that Part II, Particular Provisions of that Agreement be further amended as follows:

- A. In Item I, Commodity Table: (1) On line entitled 'Corn' under appropriate column headings, change the existing entries to read '1978 and 1979 - 145,000 - US\$16.0'. (2) On line entitled 'Blended/Fortified Foods' under column headed 'Supply Period (United States Fiscal Year)' change entry to read '1978 and 1979'. (3) Immediately above line entitled 'Total' under appropriate column headings, insert a new line to read 'Wheat Flour - 1979 - 4,600 metric tons - US\$1.0'. (4) On line entitled 'Total' change entry to read 'US\$19.0'.
- B. In Item III, Usual Marketing Table: (1) On line entitled 'Feed Grains' under appropriate column headings change entries to read '1978 and 1979 - 50,000 metric tons in each year'. (2) On line entitled 'Blended/Fortified Foods' under column headed 'Import Period (United States Fiscal Year)' change entry to read '1978 and 1979'. (3) Under appropriate column headings insert a new line to read 'Wheat/Wheat Flour (Wheat Basis) - 1979 - 143,000 metric tons'.
- C.. In Item IV, Export Limitations, Paragraph B, Commodities to which Export Limitations Apply, delete the word 'and' following the phrase 'from which these oils are produced;' change the period at the end of that paragraph to semicolon, and add 'and for Wheat Flour - Wheat, Wheat Flour, Rolled Wheat, Semolina, Farina, or Bulgur (or the same products under a different name)'.

His Excellency

P. J. Patterson

Minister of Foreign Affairs

Kingston

TIAS 9438

All other terms and conditions of the August 2, 1978 Agreement, as extended, remain the same.

If the foregoing is acceptable to your Government, it is proposed that this Note and your reply thereto constitute an Agreement between our two Governments, effective as of the date of your Note in reply.

Accept, Excellency, the assurances of my highest consideration.

Loren E. Lawrence

The Jamaican Minister of Finance and Planning and the Permanent Secretary, Ministry of Foreign Affairs, to the American Ambassador



172/01

Jamaican Foreign Service

2nd May, 1979

Excellency,

I have the honour to refer to your Note of May 2, 1979 which read as follows:

"I have the honour to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on August 2, 1978, as amended September 5, 1978, October 25, 1978, and March 29, 1979, and to propose that Part II, Particular Provisions of that Agreement be further amended as follows:

- A. In Item I, Commodity Table: (1) On line entitled 'Corn' under appropriate column headings, change the existing entries to read '1978 and 1979 - 145,000 - US\$16.0'. (2) On line entitled 'Blended/Fortified Foods' under column headed 'Supply Period (United States Fiscal Year)' change entry to read '1978 and 1979'. (3) Immediately above line entitled 'Total' under appropriate column headings, insert a new line to read 'Wheat Flour - 1979 - 4,600 metric tons - US\$1.0'. (4) On line entitled 'Total' change entry to read US\$19.0'.
- B. In Item III, Usual Marketing Table: (1) On line entitled 'Feed Grains' under appropriate column headings change entries to read '1978 and 1979' - 50,000 metric tons in each year'. (2) On line entitled 'Blended/Fortified Foods' under column headed 'Import Period (United States Fiscal Year)' change entry to read '1978 and 1979'. (3) Under appropriate column headings insert a new line to read 'Wheat/Wheat Flour (Wheat Basis) - 1979 - 143,000 metric tons'.

His Excellency Loren V. Lawrence
Ambassador,
Embassy of the United States of America.

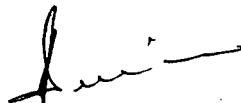
C. In Item IV, Export Limitations, Paragraph B, Commodities to which Export Limitations Apply, delete the word 'and' following the phrase 'from which these oils are produced;', change the period at the end of that paragraph to semicolon, and add 'and for Wheat Flour - Wheat, Wheat Flour, Rolled Wheat, Semolina, Farina, or Bulgur (or the same products under a different name)'.

All other terms and conditions of the August 2, 1978 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, it is proposed that this Note and your reply thereto constitute an Agreement between our two Governments, effective as of the date of your Note in reply."

Please be advised that the Government of Jamaica offers no objection to the proposed amendment, and agrees that your Note and this reply shall constitute an Agreement between our two Governments, effective as of today's date.

Accept, Excellency, the assurances of my highest consideration.



D. C. Brice
Permanent Secretary
Ministry of Foreign Affairs



Eric Bell
Minister of Finance
and Planning

The American Ambassador to the Jamaican Minister of Foreign Affairs

Kingston, Jamaica

July 5 , 1979

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on August 2, 1978, as amended September 5, 1978, October 25, 1978, March 29, 1979 and May 2, 1979, and to propose that Part II, Particular Provisions of that Agreement be further amended as follows:

- A. In Item I, Commodity Table, on the line entitled 'Soybean /Cotton Seed Oil' under appropriate column headings, change the entries to read '1978 and 1979 - 1,700 - 1.4'. On the line entitled 'Total' under the column heading, 'Maximum Export Market Value (Millions)' delete 'US\$19.0' and insert 'US\$20.0'.
- B. In Item III, Usual Marketing Table, on the line entitled 'Edible Vegetable and/or Oil Bearing Seeds (Oil Equivalent Basis)', under the appropriate column headings, change the entries to read '1978 and 1979 - 6,000 metric tons, of which at least 4,800 metric tons shall be imported from the United States in each year'.

All other terms and conditions of the August 2, 1978 Agreement, as amended, remain the same.

If the foregoing is acceptable to your Government, it is proposed that this Note and your reply thereto constitute an Agreement between our two Governments, effective as of the date of your Note in reply.

Accept, Excellency, the assurances of my highest consideration.

Loren E. Lawrence

His Excellency

P. J. Patterson

Minister of Foreign Affairs

Kingston

The Jamaican Minister of Finance and Planning and the Permanent Secretary, Ministry of Foreign Affairs, to the American Ambassador



172/01

5th July, 1979

Excellency,

I have the honour to refer to your Note of July 5, 1979 which read as follows:

"I have the honour to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on August 2, 1978, as amended September 5, 1978, October 25, 1978, March 29, 1979 and May 2, 1979, and to propose that Part II, Particular Provisions of that Agreement be further amended as follows:

A. In Item I, Commodity Table, on the line entitled 'Soybean/Cotton Seed Oil' under appropriate column headings, change the entries to read '1978 and 1979 - 1,700 - 1.4'. On the line entitled 'Total' under the column heading, 'Maximum Export Market Value (Millions)' delete 'US\$19.0' and insert 'US\$20.0'.

His Excellency
Loren V. Lawrence
Ambassador,
Embassy of the United
States of America.

B. In Item III, Usual Marketing Table, on the line entitled 'Edible Vegetable and/or Oil Bearing Seeds (Oil Equivalent Basis)', under the appropriate column headings, change the entries to read '1978 and 1979 - 6,000 metric tons, of which at least 4,800 metric tons shall be imported from the United States in each year'.

All other terms and conditions of the August 2, 1978 Agreement, as amended, remain the same.

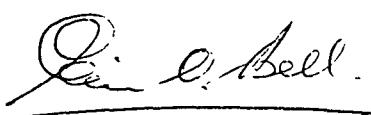
If the foregoing is acceptable to your Government, it is proposed that this Note and your reply thereto constitute an Agreement between our two Governments, effective as of the date of your Note in reply."

Please be advised that the Government of Jamaica offers no objection to the proposed amendment, and agrees that your Note and this reply shall constitute an Agreement between our two Governments, effective as of today's date.

Accept, Excellency, the assurances of my highest consideration.



D. C. Brice
Permanent Secretary
Ministry of Foreign Affairs



Eric Bell
Minister of Finance
and Planning

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 March 7, 1979;
Entered into force March 7, 1979.*

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.:

EC 8/66.5)
Ref.: EC 8/67.5) - 79/49
EC 8/67.3)

28 March 1979

Subject: a) Article V cost limits under the
Danish and Icelandic Joint Financing Agreements
b) Revised settlement of obligations for 1977
and revised assessments for 1979 under the
Icelandic Joint Financing Agreement
Action required: To note

The Secretary General of the International Civil Aviation Organization presents his compliments and has the honour to state that Council, at its sixth Meeting, ... 96th Session, approved reports of the Joint Support Committee contained in C-WP/6871 and ... C-WP/6872, enclosed herewith.^[1] In summary, the action taken is indicated below.

The cost limit under Article V of the Danish^[2] Joint Financing Agreement (Doc 7726-JS/563) was increased to US\$6,600,116 for the year 1978.

The cost limit under Article V of the Icelandic^[3] Joint Financing Agreement (Doc 7727-JS/564) was increased to US\$3,815,315 for the years 1977 and 1978.

Council approved the revised settlement of obligations for 1977 and revised assessments for 1979 under the Icelandic Agreement as described in paragraph 6.1 and set forth in Appendix 1 to C-WP/6872. The revised net assessments appear in column (9) of that Appendix. The excess over the previously approved assessments (cf. C-WP/6872) appears in column (11) of C-WP/6872. Statements of account will be forwarded to Contracting Governments accordingly.

In respect of the Article V cost limit under the Icelandic Agreement, the Icelandic Government has advised ICAO, pursuant to Article XXII, paragraph 1 (b) of the Agreement, that the above limit of US\$3,815,315 will be insufficient to cover the costs of operating the services in 1978. A separate letter on this matter will be sent to you in due course.

Enclosure:
C-WP/6871
C-WP/6872

¹ Not printed herein.
² TIAS 4049, 8872; 9 UST 798; 29 UST 1188.
³ TIAS 4048, 8872; 9 UST 713; 29 UST 1188.

[Footnotes added by the Department of State.]

TIAS 9439

APPENDIX I

1986 VOLUNTARY JOINT FINANCING AGREEMENT

(This table supersedes that contained in Appendix I of Cables 7878 and Doc. 9488)

COUNTRY	1977 expenditure in millions of dollars	Share of 1977 expenditure in millions of dollars (Col. 2 x 1000)	Indicated adjustment for 1978 in millions of dollars (Col. 3 x 1000)	1977 adjusted expenditure in millions of dollars (Col. 1 + Col. 3 x 1000)	1978 adjusted expenditure in millions of dollars (Col. 1 + Col. 3 x 1000)	Credits from use charge in millions of dollars (Col. 4 x 1000)	Revised net assessment in millions of dollars (Col. 5 x 1000)	Previously approved net assessment due in millions of dollars (Col. 6 x 1000)	Difference in millions of dollars (Col. 7 x 1000)
Belgium	1,475	10,245,713	1,111,564	10,357,277	10,357,277	4,350,397	7,325,762	6,115,449	4,210,161
Canada	9,041	67,648,750	7,753,633	60,551,322	60,551,322	26,645,724	46,904,153	46,904,153	26,677,726
China	2,271	1,207,707	1,207,707	1,207,707	1,207,707	799,293	1,241,129	1,241,129	799,293
Denmark, S.R.	1,194	6,054,786	6,740,276	5,105,510	5,105,510	1,044,524	3,021,630	3,021,630	1,044,524
Finland	6,620	7,711,637	5,904,623	7,711,637	7,711,637	6,181,440	1,861,721	1,861,721	6,181,440
France	1,610	12,210,313	6,734,456	21,944,769	21,944,769	8,200,252	4,261,704	4,261,704	8,200,252
Germany, F.R.	9,924	6,812,455	6,327,700	7,337,154	7,337,154	2,069,163	4,216,961	4,216,961	2,069,163
Iceland	2,377	1,129,014	1,129,014	1,129,014	1,129,014	932,952	2,725,254	2,725,254	932,952
Ireland	1,932	11,327,460	11,760,464	7,587,547	7,587,547	2,911,752	7,010,776	7,010,776	2,911,752
Italy	2,939	21,944,171	21,944,171	12,140,070	12,140,070	32,900,919	5,986,293	5,986,293	32,900,919
Japan	1,640	10,779,151	11,147,462	12,220,771	12,220,771	8,004,096	8,777,340	8,777,340	8,004,096
Luxembourg	1,396	7,211,704	7,211,704	7,211,704	7,211,704	4,347,150	12,101,720	12,101,720	4,347,150
Norway	1,194	6,264,725	6,264,725	4,869,725	4,869,725	1,942,044	1,702,320	1,702,320	1,942,044
Netherlands	1,872	11,872,610	14,818,571	7,235,320	7,235,320	1,764,982	20,573,553	18,486,189	1,764,982
United Kingdom	12,872	12,872,610	12,872,610	9,229,000	9,229,000	11,142,320	24,419,877	23,714,247	11,142,320
United States	26,935	216,961,631	301,467,229	151,287,249	151,287,249	127,771,662	424,241,077	310,955,889	127,771,662
Total	95,824	7,538,141	701,701,955	600,415,523	310,184,299	1,071,886,244	262,827,412	809,560,832	348,512,999

The following table shows projected contributions made by the participating countries on behalf of the Icelandic Joint Financing Agreement for 1978. Should one of these States accede to the Agreement in 1978, the net assessment listed below indicates its contribution for that year.

NAME	1978 expenditure in millions of dollars	3,558,800	0	1,358,800	1,270,879	1,506,800	1,671,800
Turkey	699	3,232,462	0	3,232,462	2,046,977	1,514,711	2,561,697
Egypt	1,185	6,060,702	9,548,772	9,548,772	3,452,372	1,079,159	4,287,221
Syria	1,261	10,066,099	11,125,772	11,125,772	4,011,284	1,096,420	2,124,158
Lebanon	676	2,029,723	3,422,384	3,422,384	1,348,984	1,023,231	2,029,723
Pakistan	187	1,244,771	1,322,516	1,322,516	1,069,659	917,048	1,069,659
Pakistan	113	2,113,173	2,543,643	2,543,643	1,227,516	662,382	210,466
Pakistan	627	1,618,571	1,618,571	1,618,571	2,543,643	1,241,680	481,200
Pakistan	974	1,618,571	1,618,571	1,618,571	2,443,780	1,121,655	1,021,434
Pakistan	140	1,018,410	1,140,410	1,140,410	1,140,410	718,824	1,021,434
Saudi Arabia	63	629,800	697,799	697,799	12,701,891	5,294,479	311,050
Saudi Arabia & Turkey	1,872	1,358,000	13,719,697	13,719,697	10,995,255	7,001,324	2,024,610
U.S.A.	239	2,019,440	3,272,975	3,272,975	3,272,975	1,281,377	1,021,434
U.S.S.R.	440	2,019,159	3,272,975	3,272,975	1,291,814	1,468,644	676,994
Yugoslavia	440	3,541,974	3,546,171	3,546,171	3,546,171	1,149,313	720,192

* Revised total projected actual costs for 1978 were 1,748,740,148. In accordance with Article II of the Icelandic Joint Financing Agreement, increased by 3 percent (US\$37,422,000) of those costs. In accordance with Article VII all Contracting Governments share 95 percent (US\$170,348,000) of the approved actual costs and are assessed on that basis.

NEW ZEALAND

Certificates of Airworthiness for Imported Aircraft

Agreement amending the agreement of March 20, 1970.

Effectuated by exchange of notes

Signed at Washington March 16 and 30, 1979;

Entered into force March 30, 1979.

The Secretary of State to the New Zealand Ambassador

MARCH 16, 1979

EXCELLENCY:

I have the honor to refer to the discussions which have recently taken place between representatives of the Government of the United States of America and the Government of New Zealand regarding amendment of the agreement between our two Governments relating to the acceptance of each other's certificates of airworthiness for imported aircraft, which was effected by an exchange of notes at Washington on March 20, 1970,^[1] and to propose that the agreement be amended as follows:

Add a new sentence to paragraph 1(b) to read as follows:

"The term shall also apply to appliances and spare parts for such appliances as well as to materials, parts, and subassemblies (i.e., components) exported from the United States for inclusion on New Zealand-manufactured aircraft."

Add a new sentence to paragraph 1(c) to read as follows:

"The term shall also apply to appliances and spare parts for such appliances as well as to materials, parts, and subassemblies (i.e., components) exported from New Zealand for inclusion on U.S.-manufactured fixed wing aircraft not exceeding a maximum weight of 12,500 pounds."

Renumber paragraphs 6, 7, and 8 as 7, 8, and 9, and insert a new paragraph 6 to read as follows:

"6(a) 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 authorities

¹ TIAS 6857; 21 UST 1040.

of the exporting State certify that the component conforms to the applicable design data and meets the applicable test and quality control requirements which have been notified by the Government of the importing State to the Government of the exporting State, the Government of the importing State shall give the same validity to certification as if the certification had been made by its authorities in accordance with its applicable laws, regulations, and requirements.

(b) The foregoing subparagraph shall only apply to those components which are produced by a manufacturer in the exporting State pursuant to an agreement between that manufacturer and the product manufacturer in the importing State. Furthermore, it shall only apply in those instances where, in the judgment of the Government of the importing State, a component is of such complexity that determination of conformity and quality control cannot readily be made at the time when the component is assembled with the product."

In the next-to-last lines, of paragraphs 2 and 3, change the references from, "paragraph 6" to "paragraph 7".

If the foregoing is acceptable to the Government of New Zealand, it is proposed that this note together with your reply so indicating shall constitute an agreement between our two governments which shall enter into force on the date of your note in reply.

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

For the Secretary of State:

JAMES R. ATWOOD

His Excellency

MERWYN NORRISH,

Ambassador of New Zealand.

*The New Zealand Chargé d'Affaires ad interim to the Secretary
of State*



NEW ZEALAND EMBASSY
19 OBSERVATORY CIRCLE, NW,
WASHINGTON, D.C. 20008

30 March 1979

Excellency,

I have the honour to refer to your note of March 16, 1979 regarding amendment of the agreement between our two Governments relating to the acceptance of each other's certificates of airworthiness for imported aircraft, which was effected by an exchange of notes at Washington on March 20, 1970. I wish to advise that the Government of New Zealand accepts the amendments proposed in your note and considers that your note together with the present reply shall constitute an agreement between our two Governments which shall enter into force on today's date.

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

A handwritten signature in black ink, appearing to read "H. Judd".

[1]

Charge d'Affaires a.i.

The Honourable

Cyrus R. Vance,

Secretary of State,

WASHINGTON, D.C.

¹H. Judd.

EGYPT

Criminal Investigations

*Agreement signed at Washington November 29, 1978;
Entered into force November 29, 1978.*

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE
BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE
AND THE MINISTRY OF JUSTICE OF THE ARAB REPUBLIC
OF EGYPT IN CONNECTION WITH MATTERS RELATING TO
THE WESTINGHOUSE ELECTRIC CORPORATION

The United States Department of Justice and the Ministry of Justice of The Arab Republic of Egypt, 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 or service activities in The Arab Republic of Egypt of the Westinghouse Electric 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 or service activities in The Arab Republic of Egypt of the Westinghouse Electric 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.

In the event of breach of confidentiality the other party may discontinue cooperation under these procedures.

5. Information made available pursuant to these procedures may be used freely in ensuing legal proceedings in the requesting state in which an agency having law enforcement responsibilities is a party, and the parties shall use their best efforts to furnish the information for purposes of such legal proceedings in such form as to render it admissible pursuant to the rules of evidence in existence in the requesting state, including, but not limited to, certifications, authentications, and such other assistance as may be necessary to provide the foundation for the admissibility of evidence.

6. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 5, of any information made available pursuant to these procedures.

7. Upon request, a requested party shall render, in accordance with the practice and procedure of the requested state, assistance to the law enforcement agencies of the requesting state, such as locating witnesses, interviewing of witnesses, taking of testimony or statements or the production of documents or other

materials. Representatives of the requesting state may participate in the execution of the request if the competent authority of the requested state consents.

The requesting party shall not pursue its request for an interview or for the production of documents and other materials if the requested party considers that it would interfere with an ongoing investigation or proceeding being conducted by the authorities of the requested state.

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

9. The assistance to be rendered to a requesting state shall not be required to extend to such acts as might result in the immunization of any person from prosecution in the requested state.

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

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

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

13. An extension of this Agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by the Ministry of Justice of The Arab Republic of Egypt could be accomplished by an exchange of letters between the parties.

14. This Agreement shall enter into force on the date of signature by both parties.

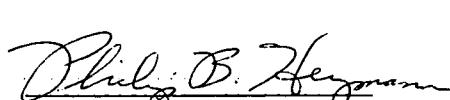
Done at Washington, D. C., this 29th day of November, 1978, in two originals in the English and Arabic languages, both texts being equally authentic.

For the Ministry of
Justice of The Arab
Republic of Egypt:



ASHRAF A. GHORBAL
Ambassador of The Arab
Republic of Egypt to the
United States

For the United States
Department of Justice:



PHILIP B. HEYMANN
Assistant Attorney General
Criminal Division

١٢— تخصم المساعدات المتبادلة التي يقدّمها الطرفان تباهما لهذه الاجراءات لانتفاع هيئة لهم المعنية المسئولة عن تنفيذ القوانين فقط وليس! قصد منها افساده اطراف ثالثة أو التأثير على جملة الادلة جديرة بالقبول وفقاً لقوانين جمهورية مصر العربية أو الولايات المتحدة •

١٣— يمكن توسيع حدود هذا الاتفاق ليشمل قضايا مماثلة يجري أو يراد اجراء التحقيق فيها من قبل كل من وزارة العدل في الولايات المتحدة او وزارة العدل بجمهورية مصر العربية ، وذلك بتبادل الرسائل بين الطرفين •

١٤— يبدأ تنفيذ هذا الاتفاق في اليوم الذي يتم فيه التوقيع عليه من جانب الطرفين •

حرر هذا الاتفاق في واشنطن دي س ٠ في ٢٩/١١/١٩٧٨ ، من سختين أصليتين باللغة الإنجليزية والعربية وكلتا النصين حجة متساوية •

عن وزارة العدل بجمهورية مصر العربية

 فيليب ب. هيeman
 مساعد النائب العام

د. اشرف غربال
 سفير جمهورية مصر العربية
 بالولايات المتحدة

بالقبول وفقاً لقواعد الايام المعهود بها في الدولة المتقدمة بالطلب ، حيث
تتضمن ولا تقتصر على ذلك التصديق والتوثيق وأشكال المساعدة الأخرى بما
هو ضروري لتوفير الأسس الخاصة بجعل الأدلة جديرة بالقبول .

٦- يعطى الطرفان إشعاراً مسبقاً ويوفران فرصة لا جراء المشاورات قبل استخدام
(في إطار مضمون الفقرة ٥) أية معلومات يتم توفيرها فيما لو
الإجراءات .

٧- عند الطلب ، يقدم الطرف المطلوب منه ، بمقتضى حق الممارسة والإجراءات
لدى الدولة المطلوب منها ، المساعدة للجهات المسئولة عن تنفيذ القوانين
في الدولة صاحبة انتظار تحديد مكان وجود الشهود أو مقابلة الشهود
أوأخذ الشهادة أو البيانات أو تقديم الوثائق أو غيرها من المواد ، ويتحقق
لممثل الدولة صاحبة الطلب المساهمة في تحقيق هذا الطلب إذا ما وافقت
على ذلك السلطة المخولة لدى الدولة المطلوب منها ، وعلى الطرف صاحب
الطلب إلا يواصل الطلب المتعلق بالمقابلة أو تقديم الوثائق وغيرها من المواد
إذا ما رأى الطرف المطلوب منه أن هذا يتداخل مع تحقيق جار أو إجراءات
تجريها سلطات الدولة المطلوب منها .

٨- يبذل الطرفان قصارى جهدهما للمساعدة في التنفيذ السريع للتدابيرات الالتماسية
التي توجهها السلطات القضائية فيما يتعلق بأية إجراءات قانونية يمكن
أن تترتب في بلددهما .

٩- المساعدة التي تقدم للدولة المتقدمة للمساعدة ينبغي إلا تسرى على أعمال من
 شأنها أن تحصن أي شخص ضد الإجراءات القانونية في الدولة التي قدم إليها
طلب المساعدة .

١٠- تخضع كل المساعدات التي تقدم للدولة المطلوب منها توفير المساعدة للحدود
التي يفرضها قانونها المحلي ، ويمكن تأجيل أو رفض أو وضع شروط يتم
الاتفاق عليها لتنفيذ طلب المساعدة ، إذا ما تداخل تنفيذ هذا الطلب
مع تحقيقات أو إجراءات قانونية جارية في الدولة المستطلعة للطلب .

١١- لا يحد أي شيء يتضمنه هذا الاتفاق من حق الطرفين في استخدام المعلومات
التي يتم الحصول عليها بصورة مستقلة عن هذه الإجراءات في أي غرض .

اتفاق بشأن اجراءات المساعدة المتبادلة

بين وزارة العدل في الولايات المتحدة ووزارة العدل بجمهورية مصر العربية
فيما يتعلق بأمور متعلقة بممثليات ومتطلبات الكهربائية

ان وزارة العدل في الولايات المتحدة ووزارة العدل بجمهورية مصر العربية والمشار إليها فيما يلي بـ "الطرفين" تقران الاجراءات التالية فيما يتعلق بتوفير المساعدات المتبادلة للهيئات المسئولة عن تنفيذ القوانين في بلد يهما ، وذلك فيما يتصل بالاعمال غير المشروعة والمزعومة والخاصة بمباني وخدمات ممثليات ومتطلبات الكهربائية والشركات التابعة لها ، أو المنسوبة اليها :

١- يتم الاتصال في كل طلبات توفير المساعدة بين الطرفين بالطرق الدبلوماسية ،
• الا اذا اتفقا على خلاف ذلك

٢- عند تقديم الطلب يقوم الطرفان ببذل قصارى جهدهما ليوفر كل منهما للآخر المعلومات الالاتقة والمناسبة مثل البيانات والافادات والوثائق والسجلات التجارية والمراسلات أو المواد الاخرى المتوفرة لدىهما فيما يتعلق بالاعمال المدعى بعدم شرعيتها ومتعلقة بعمليات المبيعات والخدمات في جمهورية مصر العربية لممثليات ومتطلبات الكهربائية والشركات التابعة لها ، أو المنسوبة اليهما .

٣- تستخدم مثل هذه المعلومات فقط في أغراض التحقيق الذي تقوم به الهيئات المسئولة عن تنفيذ القوانين ، كما تستخدم في الاجراءات الجنائية والمدنية والا دارية المتربطة عليه والتي يشار اليها فيما يلي بـ "الاجراءات القانونية" .

٤- فيما عدا ما نصت عليه الفقرة (١) ، فإن جميع هذه المعلومات التي يوفرها الطرفان بعدها الاجراءات ، وكل المراسلات التي تجري بينهما والمتعلقة بمثل هذه المعلومات وتطبيقات هذه الاجراءات تبقى سرية ولا يجوز اطلاع الهيئات الحكومية غير المسئولة عن تنفيذ القوانين أو أي طرف ثالث عليها ، ويكون اطلاع الهيئات الاخرى المسئولة عن تنفيذ القوانين عليها مشروطاً بموافقة الهيئة المستلمة لها على الشروط المذكورة هنا . وفي حالة الارتكاب بالسرقة يجوز للطرف الاخر بايقاف التعاون وفقاً لهذه الاجراءات .

٥- يجوز استخدام المعلومات التي يتم توفيرها بعدها لهذه الاجراءات بحرية في الاجراءات القانونية التي تتلو ذلك في الدولة المتقدمة بالطلب والتي تكون فيها طرفاً هيئة مسئولة عن تنفيذ القوانين . وببذل الطرفان قصارى جهدهما لتوفير المعلومات لا غواصاً مثل هذه الاجراءات القانونية في الشكل الذي يجعلها جديرة

EGYPT

Criminal Investigations

*Agreement effected by exchange of notes
Signed at Cairo December 21, 1978 and January 3, 1979;
Entered into force January 3, 1979.*

The Egyptian Minister of Justice to the American Ambassador

جُمهُورِيَّة مصر الْعَرَبِيَّةِ
بِسْمِ الرَّحْمَنِ الرَّحِيمِ
فَرَازَةُ الْعَدْلِ
مَكْتَبُ الْوَزَيرِ [¹]

CAIRO, December 21, 1978

EXCELLENCY,

I have the honour to refer to the agreement on procedures for mutual assistance between the United States Department of justice and the Ministry of justice of Arab Republic of Egypt, in connection with matters relating to Westinghouse Electric Corporation, signed at Washington November 29, 1978.^[²]

In accordance with the provisions of paragraph 13 of the aforementioned agreement, I have the honour to request that the operation of this agreement be extended, under the same terms, to include alleged illicit acts pertaining to the sales or service activities in Arab Republic of Egypt of the Boeing Company and its subsidiaries or affiliates.

^¹ In translation reads: "The Arab Republic of Egypt
MINISTRY OF JUSTICE
Office of the Minister"

^² TIAS 9441; ante, p. 3996.

Waiting for your reply, Excellency, Please accept, the renewed assurances of my highest consideration.

Sincerely

A. MOUSSA

Counselor: Ahmed Moussa
Minister of justice of Egypt

His Excellency

HERMANN FREDERIC EILTS
The Ambassador of U.S.A.

The American Ambassador to the Egyptian Minister of Justice

CAIRO, EGYPT January 3, 1979

EXCELLENCY,

I have the honor to refer to your letter of December 21 which states in pertinent part as follows:

"I have the honour to refer to the agreement on procedures for mutual assistance between the United States Department of Justice and the Ministry of Justice of the Arab Republic of Egypt, in connection with matters relating to Westinghouse Electric Corporation, signed at Washington November 29, 1978.

"In accordance with the provisions of paragraph 13 of the aforementioned agreement, I have the honour to request that the operation of this agreement be extended, under the same terms, to include alleged illicit acts pertaining to the sales or service activities in the Arab Republic of Egypt of the Boeing Company and its subsidiaries or affiliates."

On behalf of the Department of Justice of the United States of America, I have the honor to inform you that this letter of reply concerning the proposed extension of the agreement of November 29, 1978 so as to include the activities of the Boeing Company as requested in your above-mentioned letter of December 21, constitutes an agreement between the Department of Justice of the United States of America and the Ministry of Justice of the Arab Republic of Egypt.

Please accept, Excellency, the renewed assurances of my highest consideration.

Sincerely,

HERMANN FR. EILTS
Hermann Frederick Eilts
American Ambassador

His Excellency Counselor AHMED MOUSSA
Minister of Justice
Arab Republic of Egypt
Cairo

TIAS 9442

EGYPT
Criminal Investigations

*Agreement effected by exchange of letters
Signed at Washington March 19 and April 17, 1979;
Entered into force April 17, 1979.*

*The Deputy Assistant Attorney General, Criminal Division, to the
Egyptian Ambassador*

March 19, 1979

His Excellency

ASHRAF A. GHORBAL
*Ambassador of the Arab
Republic of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20008*

DEAR MR. AMBASSADOR:

I have the honor to refer to the Procedures for Mutual Assistance in the Administration of Justice in Connection with Matters Relating to Westinghouse Electric Corporation signed in Washington on November 29, 1978.^[1] The United States Department of Justice requests that the operation of the aforementioned agreement be extended by an exchange of letters between the parties to include alleged illicit acts pertaining to the sales activities in the Arab Republic of Egypt of BeaJay Products Corporation and its subsidiaries and affiliates.

The United States Department of Justice undertakes to exchange information relating to BeaJay Products Corporation under the same terms and conditions as those contained in the aforementioned agreement.

Please accept assurances of my highest consideration.

Sincerely,

JOHN C. KEENEY

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

¹ TIAS 9441; *ante*, p. 3996.

*The Egyptian Ambassador to the Deputy Assistant Attorney General,
Criminal Division*

EMBASSY OF THE
ARAB REPUBLIC OF
EGYPT

2310 DECATUR PLACE, N.W.
WASHINGTON, D.C. 20008

April 17, 1979

Mr. John C. Keeney
Deputy Assistant Attorney General
Criminal Division
Department of Justice
Washington, D. C. 20530

Dear Mr. Keeney:

With reference to the request of the United States Department of Justice, as contained in your letter of March 19, 1979, concerning the extension of operation of the agreement on Procedures for Mutual Assistance in the Administration of Justice in connection with matters relating to Westinghouse Electric Corporation, signed in Washington on November 29, 1978, to include alleged illicit acts pertaining to the sales activities in the Arab Republic of Egypt of Beajay Products Corporation and its subsidiaries and affiliates, I have the honour to inform you that the Minister of Justice of the Arab Republic of Egypt has agreed to the extension of the said agreement so as to include such alleged illicit acts.

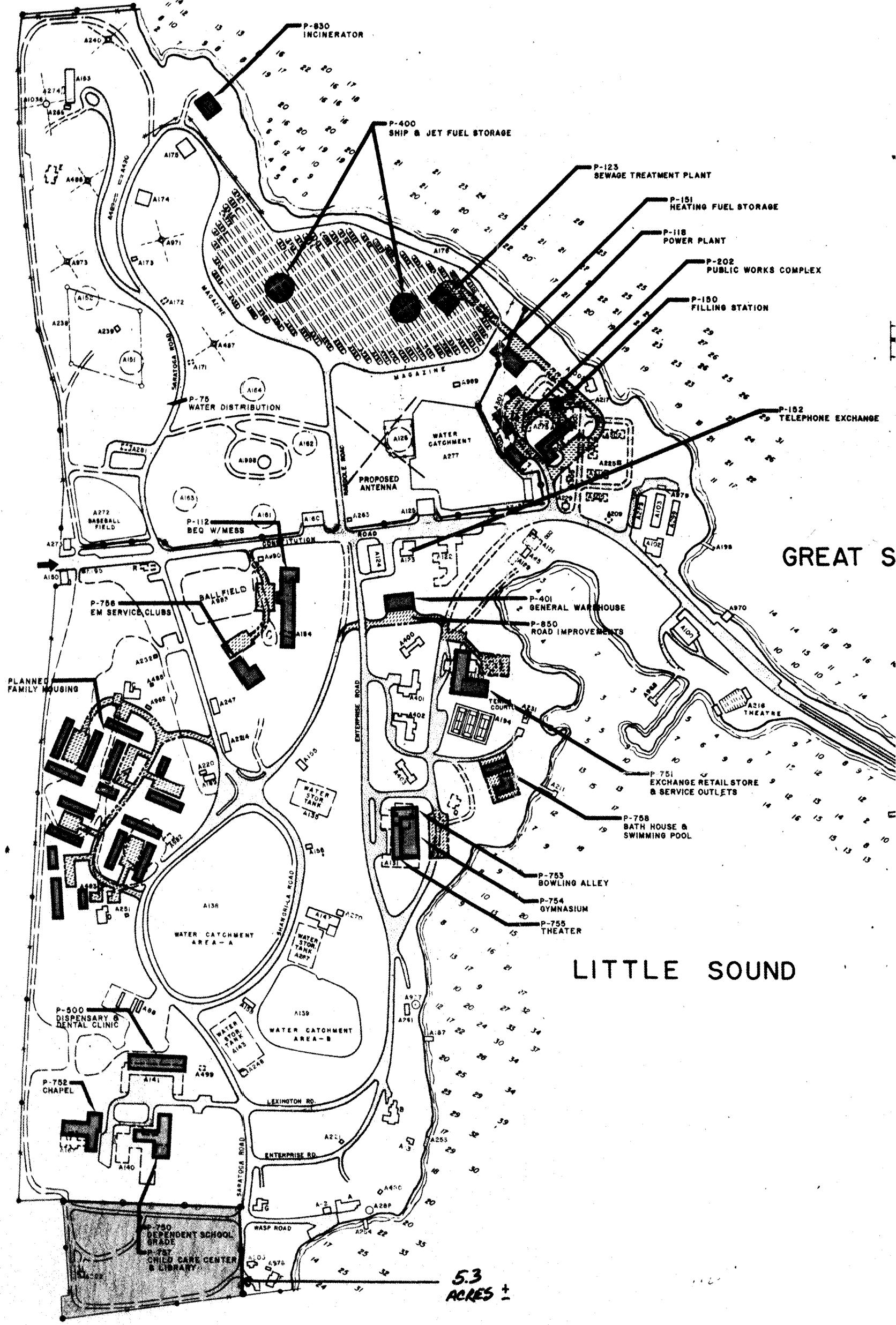
Please accept the assurances of my highest consideration.

Yours sincerely,

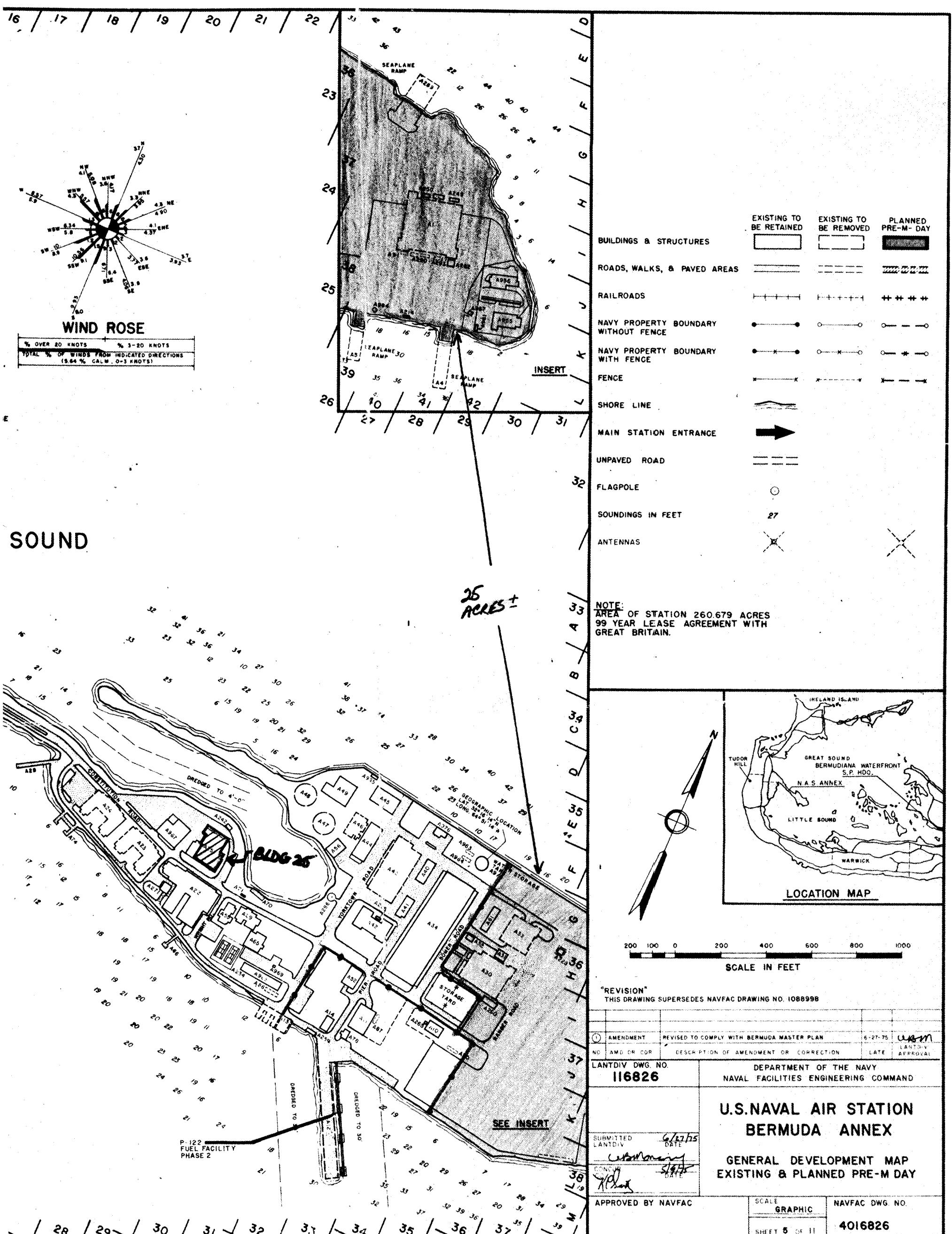

Amr A. Ghobal
Ambassador

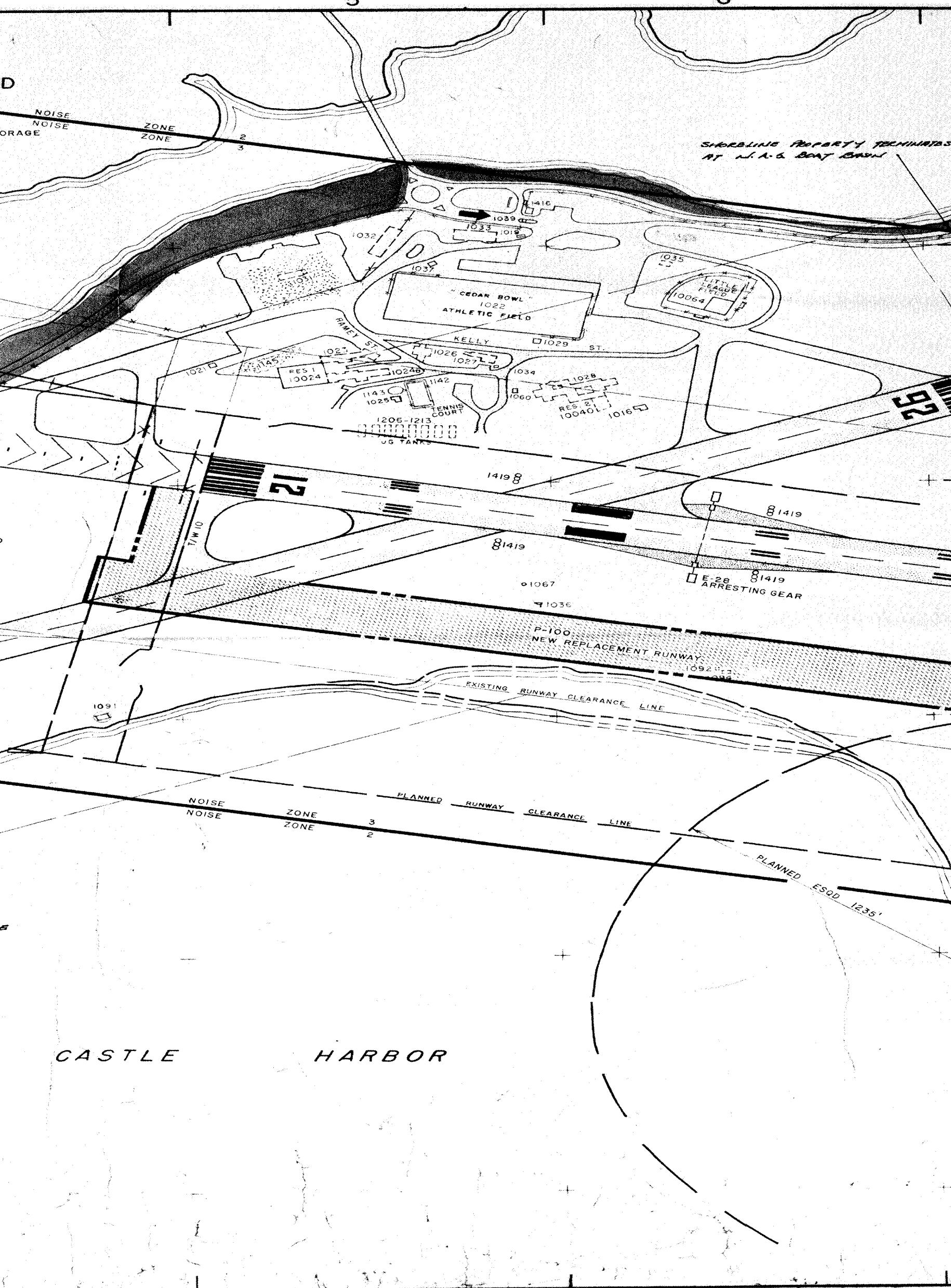
AAG:bn

cc: Department of State



1 / 2 / 3 / 4 / 5 / 6 / 7 / 8 / 9 / 10 / 11 / 12 / 13 / 14 / 15 / 16
12 / 13 / 14 / 15 / 16 / 17 / 18 / 19 / 20 / 21 / 22 / 23 / 24 / 25 / 26 / 27





THIS DOCUMENT IS CURRENT IN ACCORDANCE WITH DATE SHOWN AND
IS SUBJECT TO CHANGE, TO BE USED FOR GENERAL REFERENCE ONLY.

LEGEND

BUILDINGS & STRUCTURES

EXISTING TO BE RETAINED

EXISTING TO BE REMOVED

PLANNED PRE-M-DAY

ROADS, WALKS & PAVED AREAS

—

—

AIRFIELD PAVEMENTS

—

—

NAVY PROPERTY BOUNDARY WITHOUT FENCE

—

—

NAVY PROPERTY BOUNDARY WITH FENCE

—

—

FENCE

—

—

MAIN STATION ENTRANCE

→

SHORELINE

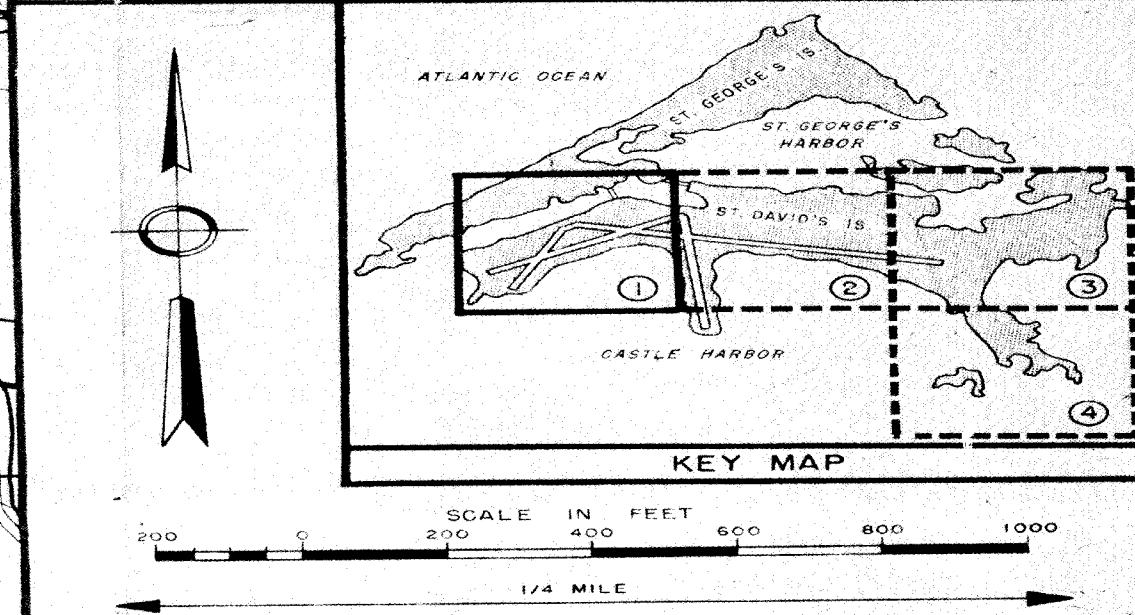
—

—

GOVERNMENT OF BERMUDA PROPERTY LINE

—

—



(1) AMENDMENT NO.	REVISED TO COMPLY WITH BERMUDA MASTER PLAN	6-27-75	LANTDIV APPROVAL
AMENDMENT NO. AMD OR COR	DESCRIPTION OF AMENDMENT OR CORRECTION	DATE	
LANTDIV DWG. NO. 8884		DEPARTMENT OF THE NAVY NAVAL FACILITIES ENGINEERING COMMAND	
SUBMITTED LANTDIV 6/27/75 DATE <i>CRB/Monning</i>		CONCUR CCO 6/13/75 DATE <i>RH</i>	
APPROVED BY NAVFAC		SCALE GRAPHIC	NAVFAC DWG. NO.
		SHEET 1 OF 1	1361884

U.S. NAVAL AIR STATION
BERMUDA
GENERAL DEVELOPMENT MAP
EXISTING & PLANNED PRE-M DAY
(SECTOR 1)

APPENDIX 2 ATTACHMENT D

39°25' N
55°55' W
16°0' E
16°0' W
S 50°55' E
S 50°55' W

HM DOCKYARD

PLAN NO B-1270

LAND AREA 0.015 ACRES

SCALE 1"= 20'

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

150.0

100.0

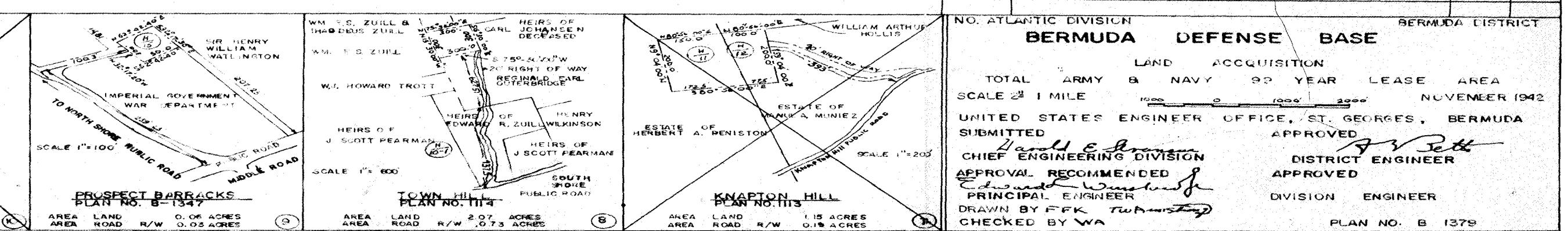
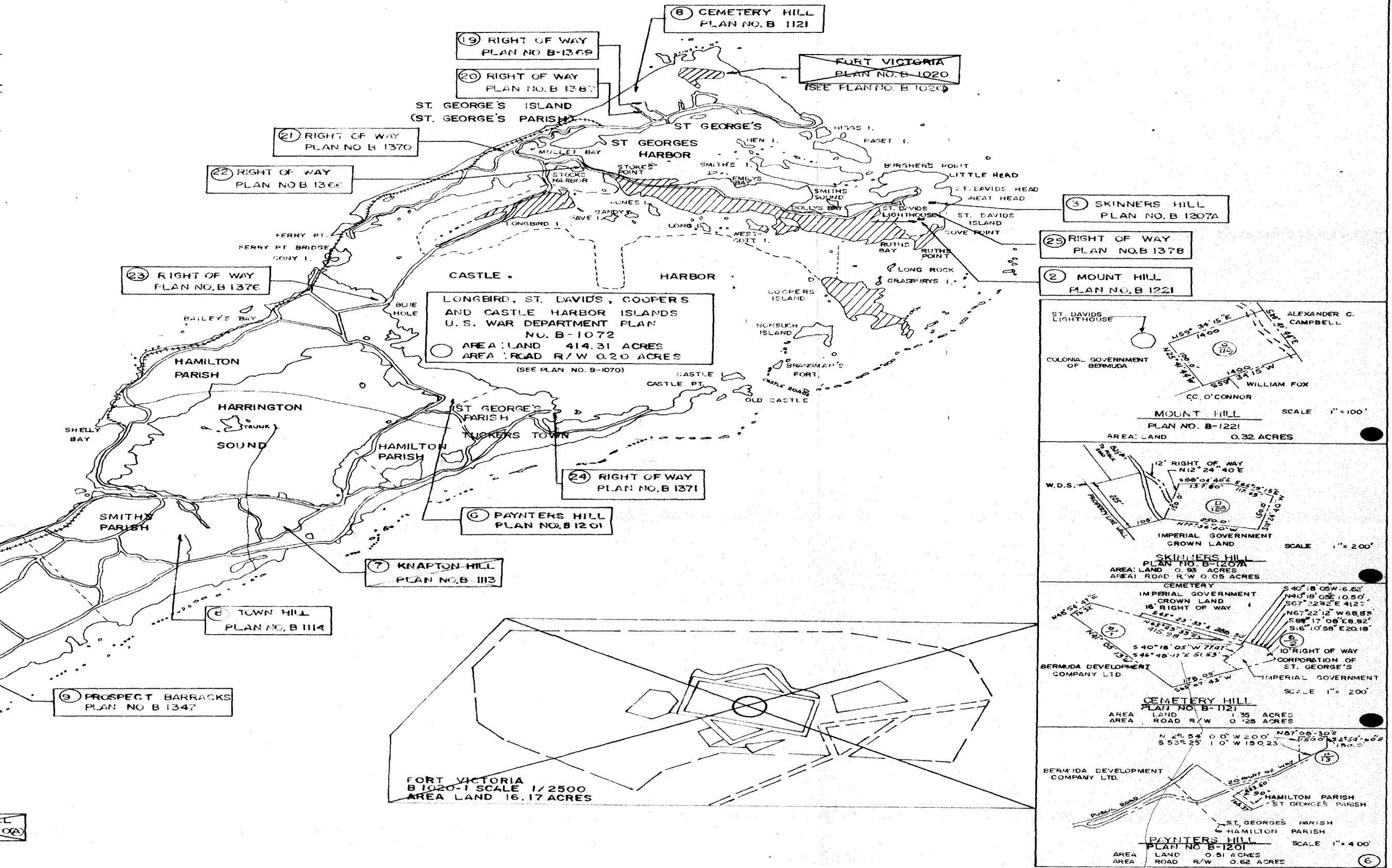
150.0

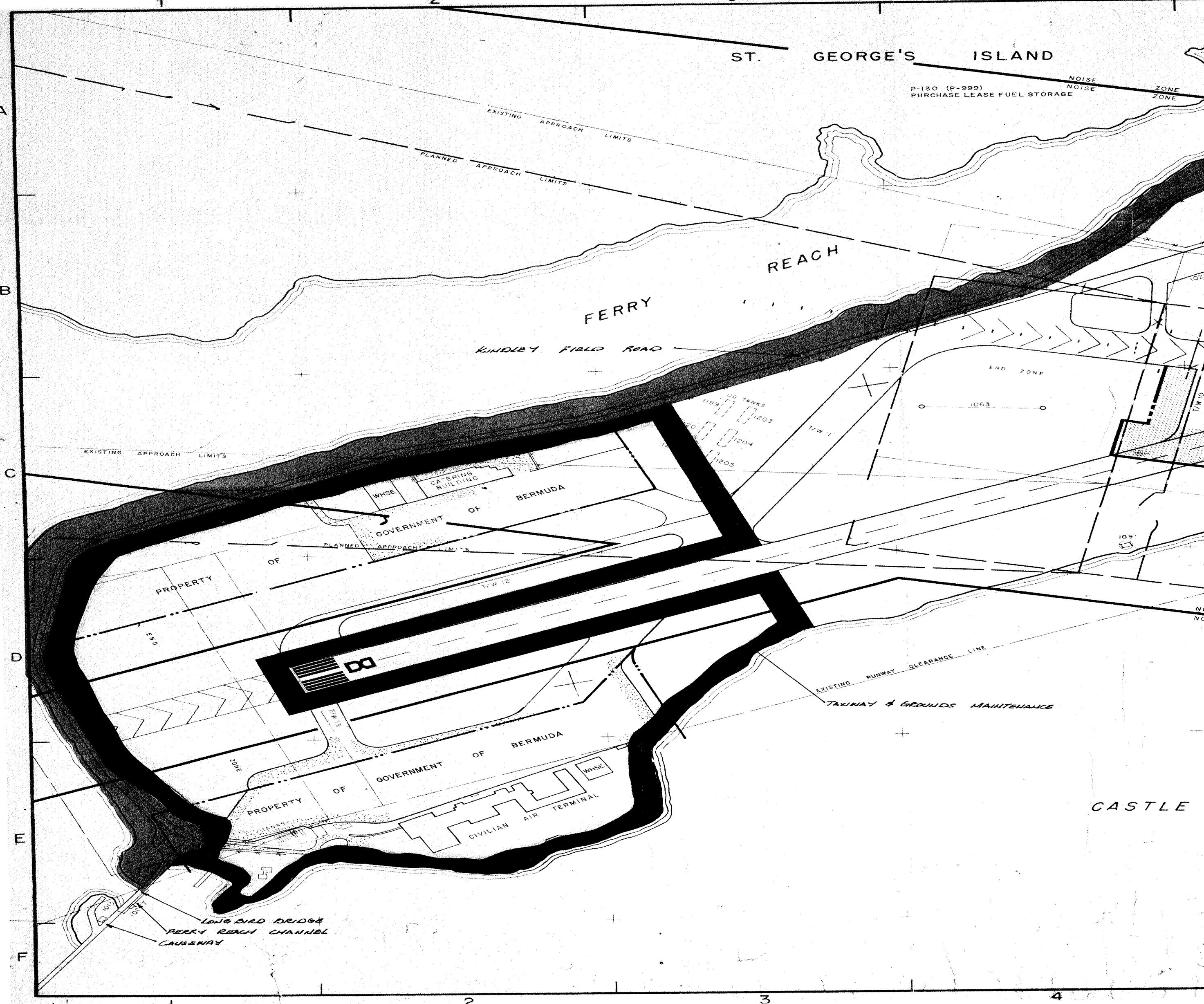
100.0

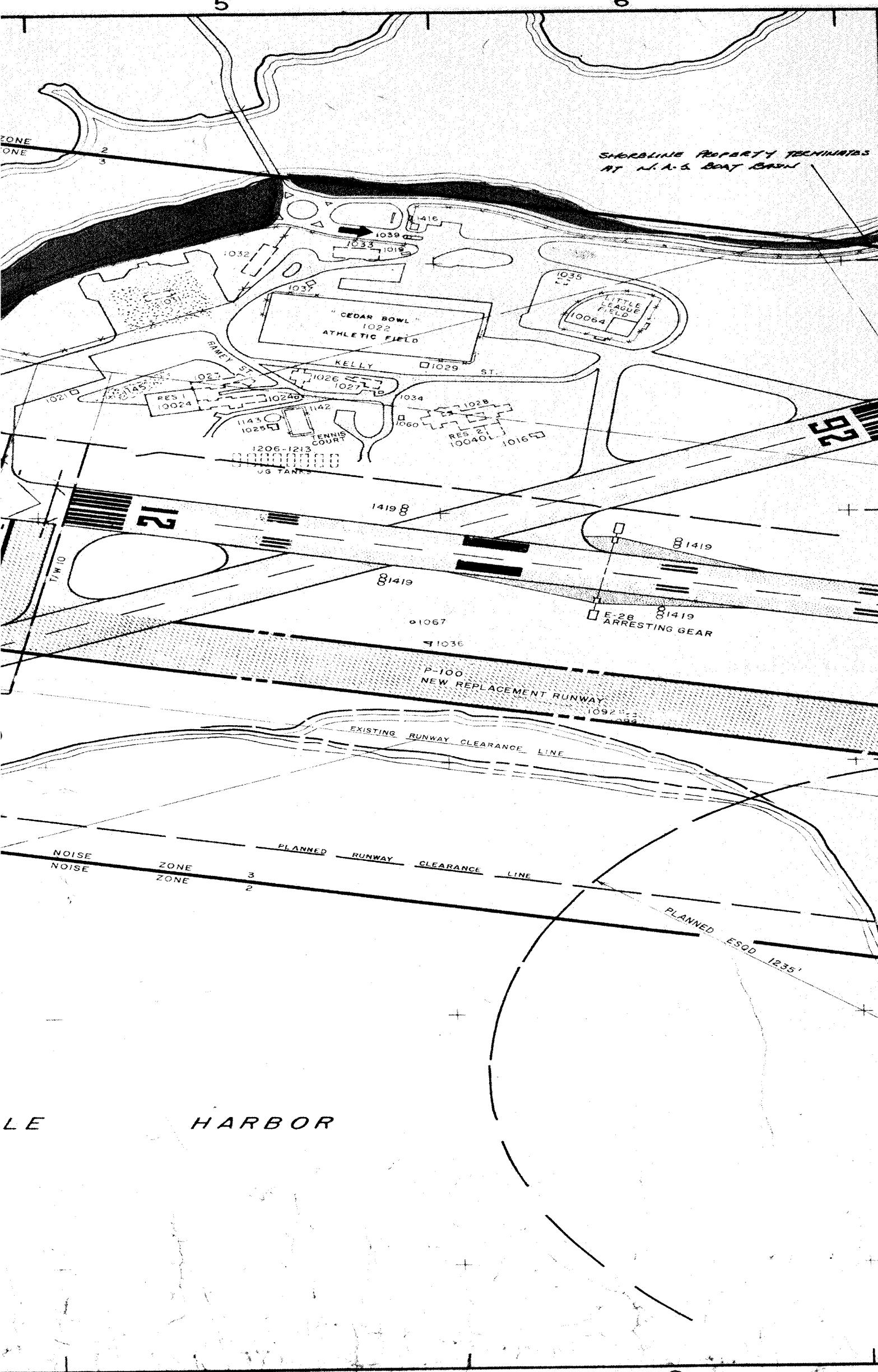
150.0

100.0

150.0



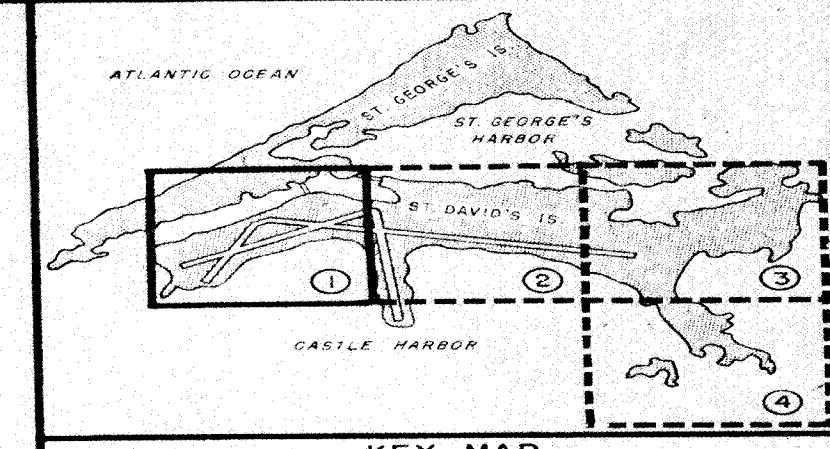
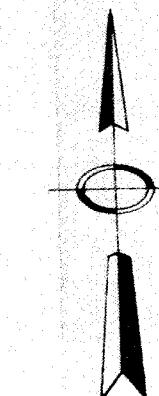




THIS DOCUMENT IS CURRENT IN ACCORDANCE WITH DATE SHOWN AND
IS SUBJECT TO CHANGE. TO BE USED FOR GENERAL REFERENCE ONLY.

LEGEND

<u>LEGEND</u>	EXISTING TO BE RETAINED	EXISTING TO BE REMOVED	PLANNED PRE-M-DAY
BUILDINGS & STRUCTURES	[]	[]	[]
ROADS, WALKS & PAVED AREAS	=====	-----	====
AIRFIELD PAVEMENTS	=====	=====	=====
NAVY PROPERTY BOUNDARY WITHOUT FENCE	— — — —	○ — ○ ○	○ — ○ ○
NAVY PROPERTY BOUNDARY WITH FENCE	— — X — —	○ — X ○ ○	○ — * ○ ○
FENCE	X — — — X	X — — — X	X — — — X
MAIN STATION ENTRANCE			
SHORELINE	~~~~~	== == ==	== == ==
GOVERNMENT OF BERMUDA PROPERTY LINE	— - - -		



A scale bar and distance marker. The top part is labeled "SCALE IN FEET" with markings at 200, 0, 200, 400, 600, 800, and 1000. The bottom part is labeled "1/16 MILE" with markings at 0, 200, 400, 600, 800, and 1000.

(1) AMENDMENT NO. AMD OR COR	REVISED TO COMPLY WITH BERMUDA MASTER PLAN DESCRIPTION OF AMENDMENT OR CORRECTION	6-27-75 DATE LANDDIV APPROVAL
LANDDIV DWG. NO. 88884	DEPARTMENT OF THE NAVY NAVAL FACILITIES ENGINEERING COMMAND	
	U.S. NAVAL AIR STATION BERMUDA GENERAL DEVELOPMENT MAP EXISTING & PLANNED PRE-M DAY (SECTOR 1)	
SUBMITTED LANDDIV <i>CEB/Morley</i>	6/27/75 DATE	
CONCUR CD <i>TJL</i>	5/19/75 DATE	
APPROVED BY NAVFAC	SCALE GRAPHIC	NAVFAC DWG. NO. 1361884
	SHEET 1 OF 1	

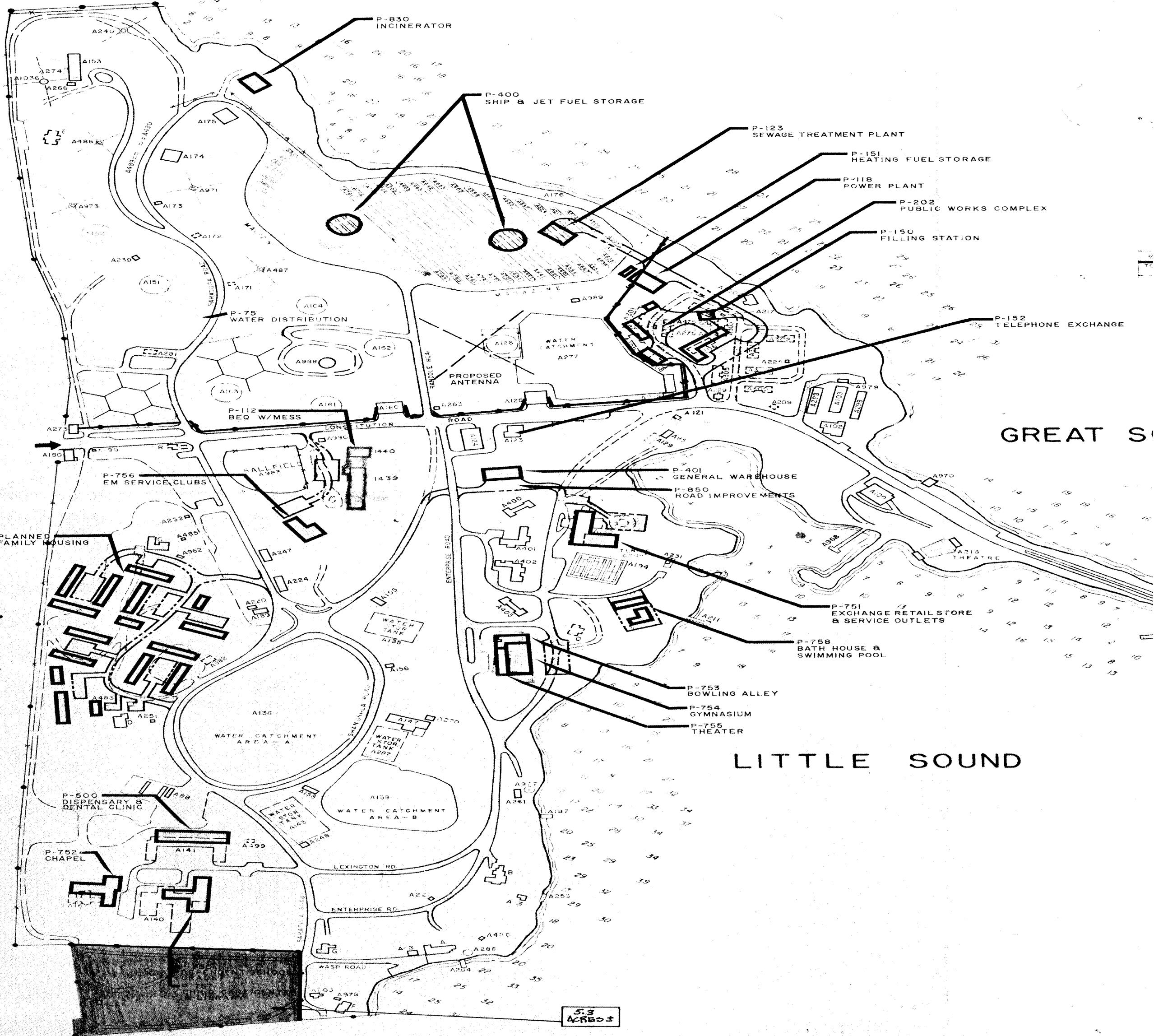
DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND

**U.S. NAVAL AIR STATION
BERMUDA**

**GENERAL DEVELOPMENT MAP
EXISTING & PLANNED PRE-M DAY**

(SECTOR 1)

SCALE GRAPHIC	NAVFAC DWG. NO.
SHEET 1 OF 1	1361884



GREAT S

LITTLE SOUND

