No. 4901

UNITED STATES OF AMERICA
and
FRANCE

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with Memorandum of Understanding and exchange of notes). Signed at Paris, on 21 March 1959

Official texts: English and French.

Registered by the United States of America on 3 October 1959.

ÉTATS-UNIS D'AMÉRIQUE
et
FRANCE

Accord conforme aux dispositions du titre I de la loi des États-Unis tendant à développer et à aider le commerce agricole, telle qu'elle a été amendée (avec Mémorandum d'accord et échange de notes). Signé à Paris, le 21 mars 1959

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 3 octobre 1959.

No. 4901. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FRENCH REPUBLIC UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT PARIS, ON 21 MARCH 1959

The Government of the United States of America and the Government of the French Republic :

Recognizing the desirability of expanding trade in agricultural commodities between their two countries and with other friendly nations in a manner which would not displace usual marketings of the United States and France in these commodities, unduly disrupt world prices of agricultural commodities, or normal patterns of commercial trade with friendly countries;

Considering that the purchase for francs of surplus agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade;

Considering that the francs accruing from such purchases will be utilized in a manner beneficial to both countries ;

Desiring to set forth the understandings which will govern the sales, as specified below, of surplus agricultural commodities to France pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended, and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities;

Have agreed as follows :

Article I

Sales for francs

Subject to the issuance of purchase authorizations, the Government of the United States of America undertakes to finance the sale to purchasers authorized by the Government of the French Republic, for French francs, of the following agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended, in the amounts indicated :

[1] Came into force on 21 March 1959, upon signature, in accordance with article VI.

Commodity	*Amount (Thousand)*
Cotton	$24,000
Tobacco	3,500
Ocean transportation	665
TOTAL	$28,165

Purchase authorizations will be issued not later than 90 calendar days after the effective date of this Agreement. They will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the francs accruing from such sale and other relevant matters.

Article II

USES OF FRANCS

The two Governments agree that the francs accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement will be used by the Government of the United States of America, in such manner and order of priority as the Government of the United States of America shall determine, for the following purposes, in the amounts shown :

(*a*) To help develop new markets for the United States agricultural commodities, and for other expenditures by the Government of the United States of America under Sub-sections (*a*), (*b*), (*f*), (*h*), (*i*), (*j*), (*k*), (*l*), (*m*), (*n*), and (*o*) of Section 104 of the Act, the franc equivalent of $14,955,000, including the franc equivalent of not more than $300,000 to provide assistance of the types provided for under Section 104 (*j*). Uses under Sub-sections (*k*), (*l*), (*m*), (*n*), and (*o*) are subject to legislative action by the Congress of the United States.

(*b*) For financing the procurement of goods and services for other friendly countries under Section 104 (*d*) of the Act, the franc equivalent of $6,170,000.

(*c*) For loans to be made by the Export-Import Bank of Washington under Section 104 (*e*) of the said Act and for administrative expenses of the Export-Import Bank of Washington in France incident thereto, the franc equivalent of $7,040,000, but not more than 25% of the currencies received under the Agreement. Such loans will be made to United States business firms and branches, subsidiaries, or affiliates of such firms in France for business development and trade expansion in France and to United States firms and to French firms for the establishment of facilities for aiding in the utilization, distribution or otherwise increasing the consumption of and markets for United States agricultural products. It is understood that such loans will be mutually agreeable to the Export-Import Bank of Washington and the Government of the French Republic. The Ministry of Finance and Economic Affairs will act on behalf of the Government of the French Republic in this matter. In the event the francs set aside for loans under Section 104 (*e*) of the Act are not advanced within three years from the date of this Agreement because the Export-Import Bank of Washington has not approved loans or because proposed loans have not been mutually agreeable to the Export-Import Bank of Washington and the Ministry of Finance and Economic Affairs, the Government of the United States of America may, after consultation with the Government of the French Republic, use the francs for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF FRANCS

The deposit of francs to the account of the Government of the United States of America in payment for the commodities or ocean transportation costs financed by the Government of the United States of America (except excess costs resulting from the requirement that United States flag vessels be used) shall be made at the rate of exchange for United States dollars generally applicable to import transactions (excluding imports granted a preferential rate) in effect on the dates of dollar disbursement by United States banks, or by the Government of the United States of America, as provided in the purchase authorizations.

Article IV

GENERAL UNDERTAKINGS

1. The Government of the French Republic agrees that it will take all possible measures to prevent the resale or transshipment to other countries before processing, or the use for other than domestic purposes before processing (except where such resale, transshipment or use is specifically approved by the Government of the United States of America), of the surplus agricultural commodities purchased pursuant to the provisions of this Agreement.

2. The two Governments agree that they will take reasonable precautions to assure that sales or purchases of surplus agricultural commodities pursuant to this Agreement will not unduly disrupt world prices of agricultural commodities,

displace usual marketings of the United States or France in these commodities, or disrupt normal patterns of commercial trade with friendly countries.

3. In carrying out this Agreement the two Governments will use their best endeavors to develop and expand continuous market demand for agricultural commodities referred to in this Agreement.

4. The Government of the French Republic agrees to furnish, upon request of the Government of the United States of America, information on the progress of this program, particularly with respect to arrivals and condition of commodities and the provisions for the maintenance of usual marketings and statistical information relating to exports of the same or like commodities.

Article V

CONSULTATION

The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to the operation of arrangements carried out pursuant to this Agreement.

Article VI

ENTRY INTO FORCE

This Agreement shall enter into force upon signature.

DONE at Paris, in duplicate, in the English and French languages, this 21st day of March, 1959.

For the Government of the United States of America :
Amory HOUGHTON

For the Government of the French Republic :
Louis JOXE