

No. 5758

**UNITED STATES OF AMERICA
and
REPUBLIC OF VIET-NAM**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at Saigon,
on 28 October 1960**

Official text: English.

Registered by the United States of America on 17 July 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DU VIET-NAM**

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre I de la loi tendant à développer et à favoriser
le commerce agricole, telle qu'elle a été modifiée (avec
échange de notes). Signé à Saïgon, le 28 octobre 1960**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 17 juillet 1961.

No. 5758. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
THE REPUBLIC OF VIET-NAM UNDER TITLE I OF THE
AGRICULTURAL TRADE DEVELOPMENT AND ASSIST-
ANCE ACT, AS AMENDED. SIGNED AT SAIGON, ON
28 OCTOBER 1960

The Government of the United States of America and the Government of the Republic of Viet-Nam :

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 of America in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

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

Considering that the piastres 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 of surplus agricultural commodities to Viet-Nam pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended, (hereinafter referred to as the Act), 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 PIASTRES

Subject to the issuance by the Government of the United States of America and acceptance by the Government of the Republic of Viet-Nam of purchase authorizations, the Government of the United States of America undertakes to finance the sale to purchasers, authorized by the Government of the Republic of Viet-Nam,

¹ Came into force on 28 October 1960, upon signature, in accordance with article VI.

for piastres, of the following agricultural commodities determined to be surplus pursuant to the Act, in the amount indicated :

<i>Commodity</i>	<i>Amount</i>
Wheat flour	\$2,983,000
Cotton	3,562,000
Ocean transportation (est. 50%)	955,000
TOTAL	\$7,500,000

Application for purchase authorizations will be made within 90 calendar days after the effective date of this Agreement, except that application for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment or supplement to this Agreement will be made within 90 days after the effective date of such amendment or supplement. They will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the piastres accruing from such sale and other relevant matters.

Article II

USES OF PIASTRES

The two Governments agree that the piastres accruing to the Government of the United States of America as a consequence of the 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 :

1. For United States expenditures under sub-sections (a), (e), (f), (h) through (r) of Section 104 of the Act, or under any of such sub-sections, the piastre equivalent of \$3,750,000.
2. To procure military equipment, materials, facilities and services for the common defense in accordance with Section 104 (c) of the Act, as amended, the piastre equivalent of \$3,750,000.

In the event the total piastres accruing to the Government of the United States of America, as a consequence of sales made pursuant to this Agreement, is less than the piastre equivalent of \$7,500,000, the amount available for common defense purposes under Section 104 (c) may be reduced by the amount of such difference; in the event the total piastre deposit exceeds the equivalent of \$7,500,000, 50 percent of the excess may be available for use of the Government of the United States of America under Section 104 (f) and 50 percent may be available for any use or uses authorized by Section 104 as the Government of the United States may determine.

Article III

DEPOSIT OF PIASTRES

Deposit of Vietnamese piastres to an account of the Government of the United States of America in the National Bank of Viet-Nam in payment of commodities and 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 preferential rate) in effect on the dates of the dollar disbursements by United States banks or by the Government of the United States of America as provided in the purchase authorizations.

Article IV

GENERAL UNDERTAKINGS

The Government of the Republic of Viet-Nam agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or the use for other than domestic purposes (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, and to assure that the purchase of these commodities does not result in increased availability of these or like commodities to nations unfriendly to the United States of America.

In carrying out this Agreement the two Governments will seek to assure conditions of commerce permitting private traders to function effectively and will use their best endeavors to develop and expand continuous market demand for agricultural commodities.

The Government of the Republic of Viet-Nam agrees to furnish, upon request of the Government of the United States of America, information on the progress of the program, particularly with respect to arrivals and condition of commodities and information relating to exports of the same or a like commodity.

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.