No. 5773

UNITED STATES OF AMERICA
and
REPUBLIC OF KOREA

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

Official text: English.

Registered by the United States of America on 28 July 1961.

ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DE CORÉE

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 Séoul, le 28 décembre 1960

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 28 juillet 1961.

No. 5773. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF KOREA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT SEOUL, ON 28 DECEMBER 1960

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

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 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 hwan of agricultural commodities produced in the Unites States will assist in achieving such an expansion of trade;

Considering that the hwan 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 agricultural commodities 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 hwan

Subject to the issuance by the Government of the United States of America and acceptance by the Government of the Republic of Korea of purchase authorizations, the Government of the United States of America undertakes to finance the sale for hwan to purchasers authorized by the Government of the Republic of Korea of the following agricultural commodities determined to be surplus pusuant to Title I of the Act, in the amounts indicated :

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

Commodity	*Value (million)*
Barley	$ 2.0
Cotton	14.6
Wheat	14.5
Corn	0.5
Ocean transportation	3.5
TOTAL	$35.1

Applications 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 to this agreement will be made within 90 days after the effective date of such amendment. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the hwan accruing from such sale, and other relevant matters.

Article II

USES OF HWAN

The two Governments agree that the hwan 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 subsections (*a*), (*b*), (*f*), and (*h*) through (*r*) of Section 104 of the Act, or under any of such subsections the hwan equivalent of $5.9 million.

2. For loans to be made by the Export-Import Bank of Washington under Section 104 (*e*) of the Act and for administrative expenses of the Export-Import Bank of Washington in Korea incident thereto the hwan equivalent of $1,500,000, but not more than 25 percent of the currencies received under the Agreement. It is understood :

a. Such loans under Section 104 (*e*) of the Act will be made to United States business firms and branches, subsidiaries, or affiliates of such firms in the Republic of Korea for business development and trade expansion in the Republic of Korea, and to United States firms and Republic of Korea 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.

b. Loans will be mutually agreeable to the Export-Import Bank of Washington and the Government of the Republic of Korea, acting through the