

No. 5850

**UNITED STATES OF AMERICA
and
ICELAND**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with Memorandum of Understanding).
Signed at Reykjavik, on 7 April 1961**

Official text: English.

Registered by the United States of America on 6 September 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
ISLANDE**

**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 Mémoire d'accord). Signé à Reykjavik, le
7 avril 1961**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 6 septembre 1961.

No. 5850. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
ICELAND UNDER TITLE I OF THE AGRICULTURAL
TRADE DEVELOPMENT AND ASSISTANCE ACT, AS
AMENDED. SIGNED AT REYKJAVIK, ON 7 APRIL 1961

The Government of the United States of America and the Government of Iceland :

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 kronur of surplus agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade;

Considering that the kronur accruing from purchase 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 Iceland 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 KRONUR

1. Subject to the availability of commodities for programming under the Act and to issuance by the Government of the United States of America and acceptance by the Government of Iceland of purchase authorizations, the Government of the United States of America undertakes to finance the sales for kronur to purchasers authorized by the Government of Iceland of the following agricultural commodities determined to be surplus pursuant to the Act, in the amounts indicated :

¹ Came into force on 7 April 1961, upon signature, in accordance with article VI.

<i>Commodity</i>	<i>Export market value (thousands)</i>
Wheat/wheat flour	\$600
Cracked corn/cornmeal	200
Barley/barleymeal	200
Rice	20
Tobacco/tobacco products	500
Soybean/cottonseed oil	100
Fresh lemons and lemon juice	20
Ocean transportation (est.)	100
	TOTAL \$1,740

2. Applications for purchase authorizations will be made within 90 calendar days after the effective date of this Agreement, except that applications 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. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the kronur accruing from such sale, and other relevant matters.

3. It is understood that the sale of agricultural commodities under this Agreement is not intended to increase the availability of these or like commodities for export and is made on the condition that no exports of such commodities will be made from Iceland during the period that the commodities are being imported and utilized.

Article II

USES OF KRONUR

1. The two Governments agree that the kronur 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. For United States expenditures under subsections (a), (b), (c), (d), (f), and (h) through (r) of Section 104 of the Act or under any of such subsections, the kronur equivalent of \$435,000.
- b. For a loan to the Government of Iceland under subsection (g) of Section 104 of the Act, the kronur equivalent of not more than \$1,305,000 for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of Iceland, as may be mutually agreed. In the event that agreement is not reached on the use of local