No. 6655

UNITED STATES OF AMERICA
and
BURMA

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Rangoon, on 9 November 1962

Official text: English.

Registered by the United States of America on 22 April 1963.

ÉTATS-UNIS D'AMÉRIQUE
et
BIRMANIE

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 Rangoon, le 9 novembre 1962

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 22 avril 1963.

No. 6655. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE REVOLUTIONARY GOVERNMENT OF THE UNION OF BURMA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT RANGOON, ON 9 NOVEMBER 1962

The Government of the United States of America and the Revolutionary Government of the Union of Burma :

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

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

Desiring to set forth understandings which will govern the sales of surplus agricultural commodities to Burma 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 Burmese kyats

Subject to the issuance by the Government of the United States of America and acceptance by the Revolutionary Government of the Union of Burma of purchase authorizations, and to the availability of commodities under the Act at the time of exportation, the Government of the United States of America undertakes to finance

[1] Came into force on 9 November 1962, upon signature, in accordance with article VI.

the sale to purchasers authorized by the Revolutionary Government of the Union of Burma, for Burmese kyats, for the following agricultural commodities determined to be surplus pursuant to the Act, in the amount indicated :

Commodity	*Export Market Value (millions)*
Cotton, upland (domestic processing)	$ 1.50
Cotton, upland (off-shore processing)	$ 7.60
Tobacco	$ 1.15
Sub-total	$10.25
Ocean transportation (50% est.)	$ .42
TOTAL	$10.67

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

Article II

USE OF BURMESE KYATS

1. The two Governments agree that the Burmese kyats 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 may determine, for the following purposes, in the amounts shown :

a. For payment of expenditures by the United States of America in Burma under subsections (*a*), (*b*), (*f*), (*h*), (*i*), (*j*), (*k*), (*l*), (*m*), (*n*), (*o*), (*p*), (*q*), and (*r*) of Section 104 of the Act or under any of such subsections, 24 percent of the kyats accruing pursuant to this Agreement.

b. For a loan to the Revolutionary Government of the Union of Burma under subsection (*g*) of Section 104 of the Act, 56 percent of the kyats accruing pursuant to this Agreement for financing such projects to promote economic development, including projects not heretofore included in plans of the Revolutionary Government of the Union of Burma, as may be mutually agreed upon. The terms and conditions of the loan and other provisions will be set forth in a separate agreement. A portion of the kyats set aside under this subsection of the Act equivalent to not less than

10 percent of the total kyats accruing pursuant to this Agreement will be reserved for relending to private enterprise through established banking facilities under procedures to be agreed upon by the two Governments.

c. For a grant to the Revolutionary Government of the Union of Burma under subsection 104 (*e*) of Section 104 of the Act, 20 percent of the kyats accruing pursuant to this Agreement for financing such projects to promote economic development as may be mutually agreed upon.

2. In the event that kyats set aside for loans to the Revolutionary Government of the Union of Burma are not advanced within 3 years from the date of this Agreement as a result of failure of the two Governments to reach agreement on the use of the kyats for loan purposes, the Government of the United States of America may use the kyats for the purpose specified in sub-paragraphs *a* and *b* of this Article.

Article III

Deposit of Burmese kyats

1. The amount of kyats to be deposited to the account of the United States of America shall be the equivalent of the dollar sales value of the commodities and ocean transportation costs reimbursed or financed by the Government of the United States (except excess costs resulting from the requirement that United States flag vessels be used) converted into kyats, as follows :

a. At the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursements by the United States provided that a unitary exchange rate applying to all foreign exchange transactions is maintained by the Revolutionary Government of the Union of Burma, or

b. if more than one legal rate for foreign exchange transactions exists, the rate of exchange shall be mutually agreed upon from time to time between the Government of the United States of America and the Revolutionary Government of the Union of Burma.

2. In the event that a subsequent agricultural commodities agreement or agreements should be signed by the two Governments under this Act, any refund of kyats which may be due or become due under this Agreement more than two years from the effective date of this Agreement would be made by the Government of the United States of America from funds available from the most recent agricultural commodities agreement in effect at the time of the refund.

Article IV

General undertakings

1. The Revolutionary Government of the Union of Burma 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