

No. 6889

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
BURMA**

Agreement (with annex) for the supply of cotton yarns to the Union of Burma, partially against raw cotton to be delivered from the United States of America under the United States Agricultural Trade Development and Assistance Act Programme. Signed at Rangoon, on 2 April 1963

Official text: English.

Registered by the United Kingdom of Great Britain and Northern Ireland on 27 August 1963.

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
BIRMANIE**

Accord (avec annexe) relatif à la fourniture à l'Union birmane de filés de coton, payables pour partie en coton brut que les États-Unis d'Amérique livreront dans le cadre du programme défini par la loi tendant à développer et à favoriser le commerce agricole. Signé à Rangoon, le 2 avril 1963

Texte officiel anglais.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 27 août 1963.

No. 6889. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNION OF BURMA FOR THE SUPPLY OF COTTON YARNS TO THE UNION OF BURMA, PARTIALLY AGAINST RAW COTTON TO BE DELIVERED FROM THE UNITED STATES OF AMERICA UNDER THE UNITED STATES AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT PROGRAMME. SIGNED AT RANGOON, ON 2 APRIL 1963

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Union of Burma;

Desiring to make arrangements for the export of cotton yarns from the United Kingdom to the Union of Burma and for the acceptance in the United Kingdom of raw cotton in partial payment for the cotton yarns (the balance to be paid in United States dollars);

Have agreed as follows :

Article 1

This Agreement is subject to the United States of America issuing to the Government of the Union of Burma a tripartite purchase authorization (hereinafter referred to as the " T.P.A. ") for raw cotton pursuant to Title I, United States Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as " the Act ").

Article 2

The Government of the United Kingdom of Great Britain and Northern Ireland—

- (a) shall facilitate the export to the Union of Burma of cotton yarns manufactured in the United Kingdom and contracted for by importers in the Union of Burma who have import authorizations as described in subparagraph (a) of Article 3 of this Agreement;

¹ Came into force on 2 April 1963, upon signature, in accordance with article 4, paragraph (6).

- (b) (i) shall arrange for the acceptance of raw cotton made available to the Government of the Union of Burma by the United States under the Act in partial payment for the f.o.b. value of the cotton yarns exported to the Union of Burma under this Agreement;
- (ii) understand that the Government of the Union of Burma have agreed with the Government of the United States that the value of such raw cotton shall be 65 per cent of the f.o.b. value of yarns exported to the Union of Burma under this Agreement;
- (c) shall arrange for the contracting for the raw cotton under the T.P.A. prior to the 31st of August, 1963 and for its shipment prior to the 30th of September, 1963 with the understanding that the Government of the Union of Burma shall not be responsible for the unutilised balance of the T.P.A.;
- (d) shall inform the Government of the Union of Burma from time to time of the values of shipments of cotton yarns, of Letters of Credit opened for raw cotton and of the values of actual shipments of raw cotton;
- (e) shall arrange that the raw cotton shall be imported under the applicable regulations of the United States Department of Agriculture;
- (f) recognize that the raw cotton imported hereunder shall be in addition to the raw cotton that would otherwise be imported from the United States and countries friendly to the United States;
- (g) accept that claims in respect of deficiency in quality or quantity of cotton yarns shall be settled by negotiations between exporters in the United Kingdom and importers in the Union of Burma in accordance with normal commercial practice, and that any deficiency in quality and/or quantity shall be made good by additional supplies of cotton yarns or, failing that, by re-imburement in United States dollars in favour of the importers in the Union of Burma;
- (h) shall arrange that all cotton yarns to be exported to the Union of Burma under the terms of this Agreement shall be shipped in accordance with the terms of the purchase contracts.

Article 3

The Government of the Union of Burma—

- (a) shall make allocations to the appropriate importing organization for cotton yarns as soon as possible after the date of this Agreement. Such allocations shall be valid only for the United Kingdom of Great Britain and Northern Ireland and for other countries with which the Government of the Union

of Burma have reached agreements which in all essential respects are similar to this Agreement, and shall be distinguished from ordinary import authorizations by the notation : " For PL 480 Transactions only ", and marked " valid for State Commercial Bank only ";

- (b) shall apply to the United States Government for the issuance of a T.P.A. and shall transfer to the Government of the United Kingdom or its designated agent the authority to sub-authorize the T.P.A. for the raw cotton equivalent to the value of 65 per cent of the f.o.b. value of cotton yarns so contracted as soon as possible after purchase contracts of cotton yarns are concluded under this Agreement, provided that the designated bank in the United Kingdom executes an indemnity in form acceptable to the Government of the Union of Burma;
- (c) shall arrange that importers in the Union of Burma of cotton yarns complete their purchase contracts with exporters in the United Kingdom as expeditiously as possible and shall arrange that such purchase contracts call for a shipment date as early as is possible and mutually convenient;
- (d) shall be solely responsible for the deposit to the account of the Government of the United States of the kyat equivalent of United States dollar disbursements for raw cotton as required under the Agricultural Commodities Agreement of 1962¹ between the Government of the Union of Burma and the Government of the United States and the T.P.A.;
- (e) shall arrange to make prompt payments in accordance with the terms of the Procedure annexed to this Agreement;
- (f) in the event that fulfilment of the arrangement mentioned in sub-paragraph (c) of Article 2 of this Agreement is prevented by some occurrence over which the Government of the United Kingdom have no control, shall recommend to the Government of the United States a reasonable extension of the T.P.A.

Article 4

GENERAL STIPULATIONS

(1) In the event of a small residual amount under the T.P.A., for which the United States cannot reasonably be expected to make shipment, settlement shall promptly be made by the Government of the Union of Burma to the Government of the United Kingdom of Great Britain and Northern Ireland

¹ United Nations, *Treaty Series*, Vol. 461, p. 113.