No. 7108

UNITED STATES OF AMERICA
and
GUINEA

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Conakry, on 22 May 1963

Official texts: English and French.

Registered by the United States of America on 6 February 1964.

ÉTATS-UNIS D'AMÉRIQUE
et
GUINÉE

Accord relatif aux produits agricoles conclu en vertu du titre I de la loi sur le développement des échanges commerciaux et de l'aide en produits agricoles, telle qu'elle a été amendée (avec échange de notes). Signé à Conakry, le 22 mai 1963

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 6 février 1964.

No. 7108. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF GUINEA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT CONAKRY, ON 22 MAY 1963

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

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

Considering that the Guinea francs accruing from such 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 the Republic of Guinea 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 Guinea francs

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of Guinea 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 the sales for Guinea

[1] Came into force on 22 May 1963, upon signature, in accordance with article VI.

francs, to purchasers authorized by the Government of the Republic of Guinea, of the following agricultural commodities in the amounts indicated :

Commodity	*Approx. quantity*	*Export market value (thousands)*
Evaporated milk	250 MT	$76
Condensed milk	220 MT	112
Dry whole milk	220,000 lbs.	121
Butter	120,000 lbs.	37
Cheese	100,000 lbs.	31
Cornmeal	1,200 MT	100
Soybean oil	2,500 MT	783
Tobacco	350 MT	770
Ocean transportation (est.)		170
	TOTAL	$2,200

2. Applications for purchase authorizations will be made within 90 calendar days after the effective date of this Agreement, except that applications for any additional commodities or amounts of commodities provided for in any amendment to this Agreement will be made within 90 days of 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 Guinea francs accruing from such sales, and other relevant matters.

3. The financing, sale and delivery of commodities under this Agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

Article II

USES OF GUINEA FRANCS

The two Governments agree that the Guinea francs 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*), (*f*) and (*h*) through (*s*) of Section 104 of the Act, or under any of such subsections, twenty-four percent of the Guinea francs accruing pursuant to this Agreement.

B. For loans to be made by the Agency for International Development under Section 104 (*e*) of the Act and for administrative expenses of the Agency for International Development in Guinea incident thereto, 25 percent of the Guinea francs accruing pursuant to this Agreement. It is understood that :

(1) 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 Guinea for business development and trade expansion in the Republic of Guinea, and to United States firms and Guinean 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.

(2) Loans will be mutually agreeable to the Agency for International Development of Washington and the Government of the Republic of Guinea, acting through the Bank of the Republic of Guinea. The Governor of the Bank of the Republic of Guinea, or his designate, will act for the Government of the Republic of Guinea, and the Administrator of the Agency for International Development of Washington, or his designate, will act for the Agency for International Development.

(3) Upon receipt of an application which the Agency for International Development is prepared to consider, it will inform the Bank of the Republic of Guinea of the identity of the applicant, the nature of the proposed business, the amount of the proposed loan and the general purposes for which the loan proceeds would be expended.

(4) When the Agency for International Development is prepared to act favorably upon an application, it will so notify the Bank of the Republic of Guinea and will indicate the interest rate and the repayment period which would be used under the proposed loan. The interest rate will be similar to that prevailing in the Republic of Guinea on comparable loans, and the maturities will be consistent with the purposes of the financing.

(5) Within sixty days after the receipt of notice that the Agency for International Development is prepared to act favorably upon an application, the Bank of the Republic of Guinea will indicate to the Agency for International Development whether or not the Bank has any objection to the proposed loan. Unless within the sixty-day period the Agency for International Development has received such a communication from the Bank of the Republic of Guinea, it shall be understood that the Bank has no objection to the proposed loan. When the Agency for International Development approves or declines the proposed loan, it will notify the Bank.

(6) In the event the Guinea francs set aside for loans under Section 104 (*e*) of the Act are not advanced within three years from the date of the Agreement because the Agency for International Development of Washington has not approved loans or because proposed loans have not been mutually agreeable to the Agency for International Development of Washington and the Bank of the Republic of Guinea, the Government of the United States of America may use the francs for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of the Republic of Guinea under Section 104 (*g*) of the Act, fifty-one percent of the Guinea francs accruing pursuant to thisAgreement, for financing such projects to promote balanced economic development, including projects not heretofore included in plans of the Government of the Republic of Guinea, as may be mutually agreed. In the event that agreement is not reached on the use of the Guinea francs for loan purposes within three years from the date of this Agreement, the Government of the United States of America may use the Guinea francs for any purposes authorized by Section 104 of the Act.

Article III

DEPOSITS OF GUINEA FRANCS

1. The amount of Guinea francs to be deposited to the account of the Government 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 of America (except excess costs resulting from the requirement that United States flag vessels be used) converted into Guinea francs, as follows :

(*a*) at the selling 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 Government of the Republic of Guinea, or

(*b*) if more than one legal rate for foreign exchange transactions exists, at a rate of exchange to be mutually agreed upon from time to time between the Government of the United States of America and the Government of the Republic of Guinea.

2. In the event that any subsequent Agricultural Commodities Agreement or Agreements should be signed by the two Governments under the Act, any refunds of Guinea francs 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.