

No. 7230

**UNITED STATES OF AMERICA
and
SUDAN**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at
Khartoum, on 31 January 1963**

Official texts of the Agreement : English and Arabic.

Official text of the notes : English.

Registered by the United States of America on 28 April 1964.

**ÉTATS-UNIS D'AMÉRIQUE
et
SOUDAN**

**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 Khartoum, le 31 janvier
1963**

Textes officiels de l'Accord : anglais et arabe.

Texte officiel des notes : anglais.

Enregistré par les États-Unis d'Amérique le 28 avril 1964.

No. 7230. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE REPUBLIC OF THE SUDAN UNDER TITLE I OF
THE AGRICULTURAL TRADE DEVELOPMENT AND
ASSISTANCE ACT, AS AMENDED. SIGNED AT KHAR-
TOUM, ON 31 JANUARY 1963

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

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 Sudanese pounds of agricultural commodities produced in the United States will assist in achieving such an expansion of trade;

Considering that the Sudanese pounds 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 to the Republic of the Sudan 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 SUDANESE POUNDS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of the Sudan 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 Sudanese pounds, to purchasers authorized by the Govern-

¹ Came into force on 31 January 1963, upon signature, in accordance with article VI.

ment of the Republic of the Sudan, of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Export Market Value (millions)</i>
Wheat and/or wheat flour	\$5.0
Ocean transportation (est.)	1.0
TOTAL	\$6.0

2. Applications for purchase authorizations will be made within 90 calendar days of 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 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 Sudanese pounds 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 considers that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

Article II

USES OF SUDANESE POUNDS

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

B. For loans to be made by the Agency for International Development (hereinafter referred to as AID) under subsection 104 (e) of the Act and for administrative expenses of AID in the Republic of the Sudan incident thereto, 15 percent of the Sudanese pounds accruing pursuant to this Agreement. It is understood that :

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

Republic of the Sudan; and to United States firms and Sudanese 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 AID and the Government of the Republic of the Sudan, acting through the Ministry of Finance and Economics. The Minister of Finance and Economics, or his designate, will act for the Government of the Republic of the Sudan, and the Administrator of AID or his designate, will act for AID.
- (3) Upon receipt of an application which AID is prepared to consider, AID will inform the Ministry of Finance and Economics 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 expected.
- (4) When AID is prepared to act favorably upon an application, it will so notify the Ministry of Finance and Economics and will indicate the interest rate and the repayment period which would be used under the proposed loan. Maturities will be consistent with the purposes of the financing, and the interest rate will be similar to that prevailing in the Republic of the Sudan on comparable loans.
- (5) Within sixty days after the receipt of the notice that AID is prepared to act favorably upon an application, the Ministry will indicate to AID whether or not the Ministry of Finance and Economics has any objection to the proposed loan. Unless within the sixty day period AID has received such a communication from the Ministry, it shall be understood that the Ministry has no objection to the proposed loan. When AID approves or declines the proposed loan, it will notify the Ministry.
- (6) In the event the Sudanese pounds set aside for loans under Section 104 (e) of the Act are not advanced within three years from the date of this Agreement because AID has not approved loans or because loans have not been mutually agreeable to AID and the Ministry of Finance and Economics, the Government of the United States of America may use the Sudanese pounds for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of the Republic of the Sudan under subsection 104 (g) of the Act, 35 percent of the Sudanese pounds accruing pursuant to this Agreement, for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of the Republic of the Sudan, as may be mutually agreed. The terms and conditions of the loan and other provisions will be set forth in a separate agreement. In the event the Sudanese pounds set aside for loans to the Government of the Republic of the Sudan are not advanced within three years from the date of this Agreement as a result of failure of the two Governments to reach agree-