No. 7421

UNITED STATES OF AMERICA
and
ICELAND

Agricultural Commodities Agreement under Title IV of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Reykjavik, on 13 February 1964

Official text: English.

Registered by the United States of America on 30 September 1964.

ÉTATS-UNIS D'AMÉRIQUE
et
ISLANDE

Accord relatif aux produits agricoles, conclu dans le cadre du titre IV de la loi tendant à développer et à favoriser le commerce agricole, telle qu'elle a été modifiée (avec échange de notes). Signé à Reykjavik, le 13 février 1964

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 30 septembre 1964.

No. 7421. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF ICELAND UNDER TITLE IV OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT REYKJAVIK, ON 13 FEBRUARY 1964

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 in a manner which would utilize surplus agricultural commodities, including the products thereof, produced in the United States of America to assist economic development in Iceland ;

Recognizing that such expanded trade should be carried on in a manner which would not displace cash marketings of the United States of America in those commodities or unduly disrupt world price of agricultural commodities or normal patterns of commercial trade with friendly countries ;

Recognizing further that by providing such commodities to Iceland under long-term supply and credit arrangements, the resources and manpower of Iceland can be utilized more effectively for economic development without jeopardizing meanwhile adequate supplies of agricultural commodities for domestic use ;

Desiring to set forth the understandings which will govern the sales as specified below, of commodities to Iceland pursuant to Title IV of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act) ;

Have agreed as follows :

Article I

COMMODITY SALES PROVISIONS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Iceland of credit 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 during those periods indicated in the table below or such longer period as may be authorized by the Government of

[1] Came into force on 13 February 1964, upon signature, in accordance with article V.

the United States of America, sales for United States dollars, to purchasers authorized by the Government of Iceland of the following commodities :

Commodity	*Supply period*	*Approximate maximum quantity (metric tons)*	*Maximum export market value to be financed*
Wheat flour (in wheat equivalent)	Calendar Year 1964	11,000	$600,000
Tobacco and tobacco products (in terms of cigarettes)	Calendar Year 1964	230	500,000
Ocean transportation (estimated)	Calendar Year 1964	—	160,000
		TOTAL	$1,260,000

The total amount of financing provided in the credit purchase authorizations shall not exceed the above-specified export market value to be financed, except that additional financing for ocean transportation will be provided if the estimated amount for financing shipments required to be made on United States flag vessels proves to be insufficient. It is understood that the Government of the United States of America will, as price declines or other marketing factors may require, limit the amount of financing provided in the credit purchase authorizations so that the quantities of commodities financed will not substantially exceed the above specified approximate maximum quantities.

2. Credit purchase authorizations will include provisions relating to the sale and delivery of such commodities and other relevant matters.

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

Article II

CREDIT PROVISIONS

1. The Government of Iceland will pay or cause to be paid in United States dollars to the Government of the United States of America for the commodities specified in Article I and related ocean transportation (except excess ocean transportation costs resulting from the requirement that United States flag vessels be used), the amount financed with interest thereon by the Government of the United States of America.

2. Payment of amounts financed in connection with shipments made in each calendar year, including the applicable ocean transportation cost related to such deliveries, shall be made in 18 annual installments. The first annual payment shall become due on March 31 immediately following the calendar year of shipment. This