

No. 7575

**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 Khar-
toun, on 2 March 1964**

Official text: English.

Registered by the United States of America on 5 February 1965.

**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 2 mars 1964**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 5 février 1965.

No. 7575. 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 2 MARCH 1964

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

Considering that the Sudanese pounds 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 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 the specified commodities under the Act at the time of exportation, the Government of the United States of America

¹ Came into force on 2 March 1964, upon signature, in accordance with article VI.

undertakes to finance during calendar years 1964 and 1965 the sales for Sudanese pounds to purchasers authorized by the Government of the Republic of the Sudan, of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Maximum export market value (millions)</i>
Wheat and/or wheat flour	\$11.06
Ocean transportation (estimated)	\$ 2.18
TOTAL	\$13.24

2. Applications for Purchase Authorizations for \$5.16 million of the wheat and/or wheat flour, the amount to be financed during calendar year 1964, and certain ocean transportation costs, will be made within 90 days after the effective date of this agreement.

3. The amounts to be financed in calendar year 1965 will be determined on the basis of an annual review to be made by the two Governments prior to the beginning of the year. The review shall take into account the United States stock position of each commodity, usual marketings, changes in the Republic of the Sudan production, consumption, stocks, imports and exports of these and related commodities, storage facilities, and other matters.

4. 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 sale, and other relevant matters.

5. 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 SUDANESE POUNDS

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 proportions 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, 35 percent of the Sudanese pounds accruing pursuant to this agreement.

B. For loans to be made by the Agency for International Development of Washington (hereinafter referred to as AID), under Section 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 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 (hereinafter referred to as the Ministry). The Minister of Finance and Economics of the Republic of the Sudan, or his designate, will act for the Government 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 the identity¹ 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 AID is prepared to act favorably upon an application, it will so notify the Ministry 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 the Sudan on comparable loans, and the maturities will be consistent with the purposes of the financing.
- (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 it 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 four years from the date of this agreement because AID has not approved loans or because proposed loans have not been mutually agreeable to AID and the Ministry, the Government of United States of America may use the Sudanese pounds for any purpose authorized by Section 104 of the Act.

¹ According to the information provided by the Government of the United States of America, this should read "identity".