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No. 7600

UNITED STATES OF AMERICA
and
CONGO (LEOPOLDVILLE)

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Leopoldville, on 28 April 1964

Official texts: English and French.

Registered by the United States of America on 25 February 1965.

ÉTATS-UNIS D'AMÉRIQUE
et
CONGO (LÉOPOLDVILLE)

Accord sur la fourniture de produits agricoles, conclu en vertu du titre I de la loi de 1954 sur le développement des échanges commerciaux et de l'aide en produits agricoles, telle qu'elle est modifiée (avec échange de notes). Signé à Léopoldville, le 28 avril 1964

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 25 février 1965.

No. 7600. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF THE CONGO UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT LEOPOLDVILLE, ON 28 APRIL 1964

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

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

Considering that the Congo 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 agricultural commodities to the Republic of the Congo 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 Congo francs

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of the Congo 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 28 April 1964, upon signature, in accordance with article VI.

undertakes to finance the sales for Congo francs, to purchasers authorized by the Government of the Republic of the Congo, of the following agricultural commodities in the amounts indicated :

Commodity	*Export Market Value (Millions)*
Wheat flour	$ 4.7
Rice	3.9
Corn	1.5
Tobacco	7.8
Beans	1.0
Bulgur	0.1
Ocean Transportation (estimated)	1.9
	$20.9

2. Applications for purchase authorizations will be made within 90 days after 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 after 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 Congo francs accruing from such sale, 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 Congo francs

The Congo 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 proportions shown :

A. For United States expenditures under subsections (*a*), (*b*), (*c*), (*d*), (*f*) and (*h*) through (*s*) of Section 104 of the Act, or under any such subsections, 15 percent of the Congo francs 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 Congo incident thereto, 15 percent of the Congo 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 the Congo for business development and trade expansion in the Republic of the Congo and to United States firms and Congolese 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 Congo acting through the Bureau of Economic Coordination (hereinafter referred to as the Bureau). The Director of the Bureau, or his designate, will act for the Government of the Republic of the Congo 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 Bureau 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 AID is prepared to act favorably upon an application, it will so notify the Bureau 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 Congo 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 Bureau will indicate to AID whether or not the Bureau has an objection to the proposed loan. Unless within the sixty-day period AID has received such a communication from the Bureau, it shall be understood that the Bureau has no objection to the proposed loan. When AID approves or declines the proposed loan it will notify the Bureau.

(6) In the event the Congo francs set aside for loans under Section 104 (*e*) of the Act are not advanced within 5 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 Bureau, the Government of the United States of America may use the Congo francs for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of the Republic of the Congo under Section 104 (*g*) of the Act for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of the Republic of the Congo, as may be mutually agreed, 70 percent of the Congo francs accruing pursuant to this agreement. The terms and conditions of the loan and other provisions will be set forth in a separate loan agreement. In the event that agreement is not reached on the use of the Congo francs for loan purposes under Section 104 (*g*) of the Act within three years from the date of this agreement, the Government of the United States of America may use the Congo francs for any purpose authorized by Section 104 of the Act.

Article III

Deposit of Congo francs

1. The amount of Congo 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 Congo francs as follows :

(*a*) at the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursement 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 the Congo, or

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

2. Any refunds of Congo francs which may be due or become due under this agreement more than two years from the effective date of this agreement may, in the event that any subsequent agreement or agreements should be signed by the two Governments under the Act, be made by the Government of the United States of America from funds available from the most recent agreement in effect at the time of the refund.

Article IV

General understandings

1. The Government of the Republic of the Congo will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased