

No. 7613

**UNITED STATES OF AMERICA
and
TUNISIA**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act, as
amended (with exchange of notes). Signed at Tunis,
on 7 April 1964**

Official texts: English and French.

Registered by the United States of America on 26 February 1965.

**ÉTATS-UNIS D'AMÉRIQUE
et
TUNISIE**

**Accord sur la fourniture de produits agricoles, conclu en
vertu du titre I de la loi sur le développement des échan-
ges commerciaux et de l'aide en produits agricoles,
telle qu'elle est modifiée (avec échange de notes).
Signé à Tunis, le 7 avril 1964**

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 26 février 1965.

No. 7613. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF TUNISIA
UNDER TITLE I OF THE AGRICULTURAL TRADE
DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED.
SIGNED AT TUNIS, ON 7 APRIL 1964

The Government of the United States of America and the Government of Tunisia:

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

Considering that the Tunisian dinars 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 Tunisia 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 TUNISIAN DINARS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Tunisia 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 undertakes to finance the sales for

¹ Came into force on 7 April 1964, upon signature, in accordance with article VI.

Tunisian dinars, to purchasers authorized by the Government of Tunisia, of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Export Market Value (Thousands)</i>
Cotton	\$937
Corn	222
Frozen Poultry	41
Ocean Transportation (estimated)	69
	TOTAL \$1,269

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 Tunisian dinars 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 TUNISIAN DINARS

The Tunisian dinars 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, 10 percent of the Tunisian dinars 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 Tunisia incident thereto, 20 percent of the Tunisian dinars 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 Tunisia for business development and trade expansion in Tunisia and to United States firms and Tunisian 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 Tunisia, acting through the Secretariat of State for the Plan and Finances (hereinafter referred to as the Secretariat). The Secretary of State for the Plan and Finances, or his designate, will act for the Government of Tunisia, 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 Secretariat 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 Secretariat 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 Tunisia 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 Secretariat 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 Secretariat, it shall be understood that it has no objection to the proposed loan. When AID approves or declines the proposed loan it will notify the Secretariat.
- (6) In the event the Tunisian dinars 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 proposed loans have not been mutually agreeable to AID and the Secretariat, the Government of the United States of America may use the Tunisian dinars for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of Tunisia 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 Tunisia, as may be mutually agreed, 70 percent of the Tunisian dinars 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 Tunisian dinars 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 Tunisian dinars for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF TUNISIAN DINARS

1. The amount of Tunisian dinars 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 Tunisian dinars, 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 Tunisia, 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 United States of America and the Government of Tunisia.

2. Any refunds of Tunisian dinars 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 UNDERTAKINGS

1. The Government of Tunisia 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 pursuant to this Agreement (except where such resale, transshipment or use is specifically approved by the Government of the United States of America) ; to prevent the export of any commodity of either domestic or foreign origin which is the same as, or like, the commodities purchased pursuant to this Agreement during the period beginning on the date of this Agreement and ending with the final date on which such commodities are received and utilized, (except where such export is specifically approved by the Government of the United States of America) ; and to ensure that the purchase of commodities pursuant to this Agreement does not result in increased availability of the same or like commodities to nations unfriendly to the United States of America.

2. The two Governments will take reasonable precautions to assure that all sales and purchases of agricultural commodities pursuant to this Agreement will not displace usual marketings of the United States of America in these commodities