No. 7620

UNITED STATES OF AMERICA
and
SENEGAL

Agricultural Commodities Agreement under the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Dakar, on 3 July 1963

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Dakar, 24 January 1964

Official texts of the Agreement of 3 July 1963 (exclusive of the notes exchanged on that date) and of the notes of 24 January 1964: English and French.

Official text of the notes of 3 July 1963: French.

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

ÉTATS-UNIS D'AMÉRIQUE
et
SÉNÉGAL

Accord relatif aux produits agricoles conclu en vertu de la loi (modifiée) sur le développement des échanges commerciaux et de l'aide en produits agricoles (avec échange de notes). Signé à Dakar, le 3 juillet 1963

Échange de notes constituant un avenant à l'Accord susmentionné. Dakar, 24 janvier 1964

Textes officiels de l'Accord du 3 juillet 1963 (à l'exclusion des notes échangées à cette date) et des notes du 24 janvier 1964: anglais et français.

Texte officiel des notes du 3 juillet 1963: français.

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

No. 7620. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF SENEGAL UNDER THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT DAKAR, ON 3 JULY 1963

The Government of the United States of America and the Government of the Republic of Senegal;

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

Considering that the CFA 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 Senegal 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 commoditites;

Have agreed as follows:

Article I

Sales for CFA Francs

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of Senegal 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 sales for CFA

[1] Came into force on 3 July 1963, upon signature, in accordance with article VI.

francs, to purchasers authorized by the Government of the Republic of Senegal, of the following agricultural commodities in the amounts indicated :

Commodity	*Export Market Value (Thousands)*
Yellow grain sorghum	$503
Ocean transportation (estimated)	$119
TOTAL	$622

2. Applications for purchase authorizations will be made within 90 calendar days of the effective date of this Agreement, except that applications 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 CFA francs accruing from such sale, and other relevant matters.

3. The financing, sale and delivery of commodities under this Agreement may be terminated after notification 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 CFA FRANCS

The two Governments agree that the CFA 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 amounts shown :

A. For United States expenditures under subsection (*a*), (*b*), (*c*), (*d*), (*f*) and (*h*) through (*s*) of Section 104 of the Act, or under any of such subsections, 35 percent of the CFA 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 adminstrative expenses of AID in the Republic of Senegal incident thereto, 15 percent of the CFA 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 Senegal for business development and trade expansion in the Republic of Senegal, and to United States firms and Senegalese 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 Senegal, acting through the Secrétariat d'État Chargé du Plan et du Développement. The Secrétaire d'État Chargé du Plan et du Développement, or his designate, will act for the Government of the Republic of Senegal, and the Administrator of AID, or his designate, will act for AID.

(3) Upon receipt of an application which AID is prepared to consider, it will inform the Secrétariat d'État Chargé du Plan et du Développement 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 Secrétariat d'État Chargé du Plan et du Développement 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 Senegal 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 Secrétariat d'État Chargé du Plan et du Développement will indicate to AID whether or not the Secrétariat d'État has any objection to the proposed loan. Unless within the sixty-day period AID has received such a communication from the Secrétariat d'État Chargé du Plan et du Développement it shall be understood that the Secrétariat d'État has no objection to the proposed loan. When AID approves or declines the proposed loan, it will notify the Secrétariat d'État.

(6) In the event the CFA francs 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 Secrétariat d'État Chargé du Plan et du Développement, the Government of the United States of America may use the CFA francs for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of the Republic of Senegal under Section 104 (*g*) of the Act, 50 percent of the CFA francs accruing to this agreement, for financing such projects to promote balanced economic development, including projects not heretofore included in plans of the Government of the Republic of Senegal, as may be mutually agreed. 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 CFA francs for loan purposes within three years from the date of this Agreement, the Government of the United States of America may use the francs for any purposes authorized by Section 104 of the Act.

Article III

DEPOSIT OF CFA FRANCS

1. The amount of CFA 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 CFA francs as follows :

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

(*b*) if more than one legal rate for foreign exchange transactions exists, 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 the Republic of Senegal.

2. In the event that any subsequent Agricultural Commodities Agreement or Agreements should be signed by the two Governments under the Act, any refunds of CFA francs which may be due or become due under this Agreement[1] would be made by the Government of the United States of America from funds available from the most recent Agricultural Commodities Agreement in effect at the time of the refund.

Article IV

GENERAL UNDERTAKINGS

1. The Government of the Republic of Senegal 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 Agree-

[1] According to the information provided by the Government of the United States of America, this should read :"... under this Agreement more than two years from the effective date of this Agreement..."

D'après les indications fournies par le Gouvernement des États-Unis d'Amérique, il convient de lire : « *...under this Agreement more than two years from the effective date of this Agreement* ... »