No. 7703

UNITED STATES OF AMERICA
and
REPUBLIC OF VIET NAM

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Saigon, on 29 September 1964

Official text of the Agreement: English.

Official texts of the notes: English and French.

Registered by the United States of America on 23 April 1965.

ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DU VIET-NAM

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 Saigon, le 29 septembre 1964

Texte officiel de l'Accord: anglais.

Textes officiels des notes: anglais et français.

Enregistré par les États-Unis d'Amérique le 23 avril 1965.

No. 7703. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF VIET NAM UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT SAIGON, ON 29 SEPTEMBER 1964

The Government of the United States of America and the Government of the Republic of Viet Nam;

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

Considering that the piastres 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 Viet Nam 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

Sale for piastres

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of Viet Nam of purchase authorizations and to the availability of commodities under the Act at the time

[1] Came into force on 29 September 1964, upon signature, in accordance with article VI.

of exportation, the Government of the United States of America undertakes to finance the sales for piastres to purchasers authorized by the Government of the Republic of Viet Nam of the following agricultural commodities in the amounts indicated :

Commodity	*Export market value (millions)*
Wheat/wheat flour	5.60
Sweetened condensed milk	8.35
Dry whole milk	.25
Evaporated milk	.10
Tobacco	5.73
Cotton	10.43
Ocean transportation	2.75
TOTAL	33.21

2. Applications for purchase authorizations will be made within 90 calendar days of 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 piastres 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 PIASTRES

The piastres 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 or 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 subsections (*a*), (*f*), (*h*) through (*s*) of Section 104 of the Act, or under any of such subsections, 10 percent of the piastres accruing pursuant to this Agreement.

B. To procure military equipment, materials, facilities and services for the common defense in accordance with Section 104 (*c*) of the Act, as amended, 90 percent of the piastres accruing pursuant to this Agreement.

In the event that Agreement is not reached on use of the Vietnamese piastres for grant under subsection (*c*) of Section 104 of the Act within three years from the date of this Agreement, the Government of the United States of America may use the Vietnamese piastres for any purpose authorized by Section 104 of the Act.

Article III

Deposit of piastres

1. The amount of piastres to be deposited to the account of the United States 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 (except excess costs resulting from the requirement that United States flag vessels be used) converted into piastres 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 Viet Nam, or

(*b*) if more than one legal rate for foreign exchange transactions exists, the rate of exchange shall be mutually agreed upon from time to time between the Government of the United States and the Government of the Republic of Viet Nam.

2. The Government of the United States of America shall determine which of its funds shall be used to pay any refunds of Vietnamese piastres which become due under this Agreement or which are due or become due under any prior Agricultural Commodities Agreement. A reserve will be maintained under this Agreement for two years from the effective date of this Agreement which may be used for the payment of such refunds any payment out of this reserve shall be treated as a reduction in the total Vietnamese piastres accruing to the Government of the United States of America under this Agreement.

Article IV

General undertakings

1. The Government of the Republic of Viet Nam will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic purposes (except where such resale, transshipment or use as specifically approved by the Government of the United States of America), of the agricultural commodities purchased pursuant to the provisions of this Agreement, to prevent the export of any commodity of either domestic or foreign origin which is the same as, or like, the commodities purchased