No. 7708

UNITED STATES OF AMERICA
and
GUINEA

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Conakry, on 13 June 1964

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Conakry, 7 October 1964

Exchange of notes constituting an agreement amending the above-mentioned Agreement of 13 June 1964, as amended. Washington, 21 December 1964

Official texts: English and French.

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

ÉTATS-UNIS D'AMÉRIQUE
et
GUINÉE

Accord relatif aux produits agricoles conclu en vertu du titre I de la loi sur le développement des échanges commerciaux et de l'aide en produits agricoles, telle qu'elle a été amendée (avec échange de notes). Signé à Conakry, le 13 juin 1964

Échange de notes constituant un avenant à l'Accord susmentionné. Conakry, 7 octobre 1964

Échange de notes constituant un avenant à l'Accord susmentionné du 13 juin 1964, tel qu'il a été modifié. Washington, 21 décembre 1964

Textes officiels anglais et français.

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

No. 7708. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF GUINEA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT CONAKRY, ON 13 JUNE 1964

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

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

Considering that the Guinea francs accruing from such purchases 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 Guinea 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 Guinea francs

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of Guinea 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 Guinea francs, to purchasers authorized by

[1] Came into force on 13 June 1964, upon signature, in accordance with article VI.

the Government of the Republic of Guinea, of the following agricultural commodities in the amounts indicated :

Commodity	*Export Market Value (millions)*
soybean and/or cotton seed oil	2.020
condensed milk	.640
evaporated milk	.160
dry whole milk	.460
butter	.110
cheese	.080
wheat flour	3.760
inedible tallow	.360
frozen poultry	.030
ocean transportation	.950
	8.570

2. Applications for purchase authorizations for $1.31 million of wheat flour authorized for calendar year 1964, all the other commodities, and certain ocean transportation costs, will be made within 90 days after the effective date of this Agreement.

3. The amount of wheat flour to be financed in fiscal 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 fiscal year. The review shall take into account the United States stock position of wheat flour, usual marketings, changes in the Republic of Guinea's production, consumption, stocks, imports and exports of these and related commodities, storage facilities, and other matters. Applications for purchase authorizations for fiscal year 1965 will be made within 90 days from the date of the conclusion of such annual review.

4. Applications for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment by this Agreement will be made within 90 days after the effective date of such amendment.

5. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the Guinea francs accruing from such sale, and other relevant matters.

6. 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 GUINEA FRANCS

The Guinea 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 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, 24 percent of the Guinea francs accruing pursuant to this Agreement.

B. For loans to be made by the Agency for International Development of Washington (hereinafter referred to as A.I.D.) under Section 104 (*e*) of the Act and for administrative expenses of A.I.D. in Guinea incident thereto, 10 percent of the Guinea 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 Guinea for business development and trade expansion in Guinea and to United States firms and Guinean 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 A.I.D. and the Government of the Republic of Guinea acting through the Bank of the Republic of Guinea (hereinafter referred to as the Bank). The Governor of the Bank, or his designate, will act for the Government of the Republic of Guinea, and the Administrator of A.I.D. or his designate, will act for A.I.D.

(3) Upon receipt of an application which A.I.D. is prepared to consider, A.I.D. will inform the Bank 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 A.I.D. is prepared to act favorably upon an application, it will so notify the Bank 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 Guinea 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 A.I.D. is prepared to act favorably upon an application, the Bank will indicate to A.I.D. whether or not the Bank has any objection to the proposed loan. Unless within the sixty-day period A.I.D. has received such a communication from the Bank, it shall be understood that the Bank has no objection to the proposed loan. When A.I.D. approves or declines the proposed loan it will notify the Bank.

(6) In the event the Guinea francs set aside for loans under Section 104 (*e*) of the Act are not advanced within four years from the date of this agreement because A.I.D. has not approved loans or because proposed loans have not been mutually agreeable to A.I.D. and the Bank, the Government of the United States of America may use the Guinea francs for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of the Republic of Guinea 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 Guinea, as may be mutually agreed, 66 percent of the Guinea 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 Guinea 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 Guinea francs for any purpose authorized by Section 104 of the Act.

Article III

Deposit of Guinea francs

1. The amount of Guinea 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 Guinea 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 Guinea, 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 the Republic of Guinea.