

No. 7722

**UNITED STATES OF AMERICA
and
KENYA**

**Agricultural Commodities Agreement under Title IV of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes dated 3 and 4 Feb-
ruary 1965). Signed at Nairobi, on 7 December 1964**

Official text: English.

Registered by the United States of America on 27 April 1965.

**ÉTATS-UNIS D'AMÉRIQUE
et
KENYA**

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre IV de la loi tendant à développer et à favoriser
le commerce agricole, telle qu'elle a été modifiée
(avec échange de notes en date des 3 et 4 février 1965).
Signé à Nairobi, le 7 décembre 1964**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 27 avril 1965.

No. 7722. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
KENYA UNDER TITLE IV OF THE AGRICULTURAL
TRADE DEVELOPMENT AND ASSISTANCE ACT, AS
AMENDED. SIGNED AT NAIROBI, ON 7 DECEMBER
1964

The Government of the United States of America and the Government of Kenya;

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would utilize surplus agricultural commodities, including the products thereof, produced in the United States of America to assist economic development in Kenya;

Recognizing that such expanded trade should be carried on in a manner which would not displace cash marketings of the United States of America in those commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

Recognizing further that by providing such commodities to Kenya under long-term supply and credit arrangements, the resources and manpower of Kenya can be utilized more effectively for economic development without jeopardizing meanwhile adequate supplies of agricultural commodities for domestic use;

Desiring to set forth the understandings which will govern the sales, as specified below, of commodities to Kenya pursuant to Title IV of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act);

Have agreed as follows :

Article I

COMMODITY SALES PROVISIONS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Kenya of credit 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 during the period specified in the following table or such longer period as may be authorized by the Government of the United States of America, sales for United States dollars, to purchasers authorized by the Government of Kenya of the following commodities :

¹ Came into force on 7 December 1964, upon signature, in accordance with article V.

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Maximum Export Market Value To Be Financed</i>
Wheat flour, granular . . .	U.S. Fiscal Year 1965	500	\$68,000
Ocean Transportation (estimated)*			8,000
TOTAL			\$76,000

* Estimate based on U.S. Government payment of excess transportation costs resulting from requirement that U.S. flag vessels be used.

The total amount of financing provided in the credit purchase authorizations shall not exceed the above-specified export market value to be financed, except that additional financing for ocean transportation will be provided if the estimated amount for financing shipments required to be made on the United States flag vessels proves to be insufficient. It is understood that the Government of the United States of America will, as price declines or other marketing factors may require, limit the amount of financing provided in the credit purchase authorizations so that the quantities of commodities financed will not substantially exceed the above-specified approximate maximum quantities.

2. Credit purchase authorizations will include provisions relating to the sale and delivery of such commodities and other relevant matters.

3. The financing, sale, and delivery of commodities hereunder may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, and delivery is unnecessary or undesirable.

Article II

CREDIT PROVISIONS

1. The Government of Kenya will pay or cause to be paid in United States dollars to the Government of the United States of America for the commodities specified in Article I and related ocean transportation (except excess ocean transportation costs resulting from the requirement that United States flag vessels be used), the amount financed by the Government of the United States of America together with interest thereon.

2. The principal amount due for commodities delivered in each calendar year under this Agreement, including the applicable ocean transportation costs related to such deliveries, shall be paid in 19 approximately equal annual payments, the first of which shall become due two years after the date of last delivery of commodities in such calendar year. Any annual payment may be made prior to the due date thereof.

3. Interest on the unpaid balance of the principal amount due the Government of the United States of America for commodities delivered in each calendar