

No. 8223

**UNITED STATES OF AMERICA
and
MALI**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes dated 15 and
21 July 1965). Signed at Washington, on 14 July 1965**

Official texts : English and French.

Registered by the United States of America on 9 June 1966.

**ÉTATS-UNIS D'AMÉRIQUE
et
MALI**

**Accord relatif aux produits agricoles, conclu en vertu du
titre premier de la loi (modifiée) sur le développement
des échanges commerciaux et de l'aide en produits
agricoles (avec échange de notes en date des 15 et
21 juillet 1965). Signé à Washington, le 14 juillet 1965**

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 9 juin 1966.

No. 8223. AGRICULTURAL COMMODITIES AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF MALI UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT WASHINGTON, ON 14 JULY 1965

The Government of the United States of America and the Government of Mali,

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 those commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries ;

Considering that the purchase for Mali francs of agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade ;

Considering that the Mali 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 Mali 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 MALI FRANCS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Mali 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

¹ Came into force on 14 July 1965, upon signature, in accordance with article VI.

the sales for Mali francs to purchasers authorized by the Government of Mali of the following :

<i>Commodity</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Maximum Export Market Value</i>
Wheat Flour	8,000	\$580,000

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 Mali francs accruing from such sale, and other relevant matters.

The Government of the United States of America will finance ocean transportation costs incurred pursuant to this agreement only to the extent that such costs are higher than otherwise would be the case by reason of the requirement that approximately 50 percent by tonnage of the commodities be transported in United States flag vessels. The balance of cost for commodities required to be carried in United States flag vessels shall be paid in dollars by the Government of Mali. The Government of Mali will not be required to deposit Mali francs for ocean transportation financed by the Government of the United States of America. Promptly after contracting for United States flag shipping space required to be used, and in any event not later than presentation of vessels for loading, the Government of Mali will open a letter of credit, in dollars, for the estimated cost of ocean transportation for commodities carried in United States flag vessels.

Article II

USES OF MALI FRANCS

The Mali 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 proportions shown.

A. For United States expenditures under subsections (a), (b), (d), and (h) through (t) of Section 104 of the Act, or under any of such subsections, 35 percent of the Mali 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 administrative expenses of AID in Mali incident thereto, 15 percent of the Mali 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 Mali for business development and trade expansion in Mali and to United States firms and Mali 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 Mali, acting through the Ministry of Economic Cooperation and Technical Assistance (hereinafter referred to as the Ministry). The Minister Delegate of the Ministry, or his designate, will act for the Government of Mali, 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 Ministry 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 Ministry 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 Mali on comparable loans, provided such rate is not lower than the cost of funds to the United States Treasury on comparable maturities, and the maturities will be consistent with the purposes of the financing.
- (5) Within 60 days after the receipt of the notice that AID is prepared to act favorably upon an application, the Ministry will indicate to AID whether or not the Ministry has any objection to the proposed loan. Unless within the 60-day period AID has received such a communication from the Ministry, it shall be understood that the Ministry has no ob-

jection to the proposed loan. When AID approves or declines the proposed loan it will notify the Ministry.

- (6) In the event the Mali 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 Ministry, the Government of the United States of America may use the Mali francs for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of Mali 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 Mali, as may be mutually agreed, 50 percent of the Mali 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 Mali 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 Mali francs for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF MALI FRANCS

1. The Government of Mali will deposit to the account of the Government of the United States of America an amount of Mali francs equivalent to the dollar sales value of the commodities financed by the Government of the United States of America converted into Mali francs at the applicable rate of exchange in effect on the date of dollar disbursement by the Government of the United States of America.

- (a) If a unitary exchange rate system is maintained by the Government of Mali, the applicable rate will be the rate at which the central monetary authority of Mali or its authorized agent sells foreign exchange for Mali francs.
- (b) If a unitary exchange rate system is not maintained, the applicable rate will be the rate mutually agreed upon by the Government of the United States of America and the Government of Mali.