

No. 8514

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**UNITED STATES OF AMERICA  
and  
BOLIVIA**

**Agricultural Commodities Agreement under Title IV of the  
Agricultural Trade Development and Assistance Act, as  
amended (with exchange of notes). Signed at La Paz,  
on 17 August 1965**

*Official texts: English and Spanish.*

*Registered by the United States of America on 10 January 1967.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
BOLIVIE**

**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). Signé à La Paz, le 17 août 1965**

*Textes officiels anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 10 janvier 1967.*

No. 8514. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED  
STATES OF AMERICA AND THE GOVERNMENT OF  
BOLIVIA UNDER TITLE IV OF THE AGRICULTURAL  
TRADE DEVELOPMENT AND ASSISTANCE ACT, AS  
AMENDED. SIGNED AT LA PAZ, ON 17 AUGUST 1965

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The Government of the United States of America and the Government of Bolivia :

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

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 Bolivia under long-term supply and credit arrangements, the resources and manpower of Bolivia 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 Bolivia 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 Bolivia 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

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<sup>1</sup> Came into force on 17 August 1965, upon signature, in accordance with article V.

the period specified in the commodity table which appears below, 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 Bolivia, of the following commodities :

| <i>Commodity</i>                              | <i>Supply Period</i>           | <i>Approximate<br/>Maximum<br/>Quantity<br/>(Metric Tons)</i> | <i>Maximum<br/>Export<br/>Market Value<br/>to be Financed<br/>(1,000)</i> |
|-----------------------------------------------|--------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------|
| Wheat Flour . . . . .                         | United States Fiscal Year 1966 | 7,100                                                         | \$525                                                                     |
| Ocean Transportation<br>(estimated) . . . . . |                                |                                                               | 97                                                                        |
|                                               |                                | TOTAL                                                         | \$622                                                                     |

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 United States flag vessels proves to be insufficient. It is understood that the Government of the United States of America may limit the amount of financing provided in the credit purchase authorizations, as price declines or other marketing factors require, so that the quantities of commodities financed will not substantially exceed the approximate maximum quantities specified in the Agreement.

2. Applications for credit purchase authorizations will be made promptly after the effective date of this Agreement. Purchase authorizations will include provisions relating to the sale and delivery of the 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 Bolivia 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 for commodities delivered in each calendar year will begin on the date of last delivery of commodities in such calendar year and shall be paid annually beginning one year after the date of last delivery of commodities in such calendar year. The interest shall be computed at the rate of one percent per annum during the period from the date of last delivery of commodities in such calendar year and the due date of the first payment of principal and  $2\frac{1}{2}\%$  thereafter.

4. All payments shall be made in United States dollars and the Government of Bolivia shall deposit, or cause to be deposited, such payments in the United States Treasury for credit to the Commodity Credit Corporation unless another depository is agreed upon by the two Governments.

5. The two Governments will each establish appropriate procedures to facilitate the reconciliation of their respective records of the amounts financed with respect to the commodities delivered during each calendar year.

6. For the purpose of determining the date of last delivery of commodities for each calendar year, delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier.

### *Article III*

#### GENERAL PROVISIONS

1. The Government of Bolivia will take all possible measures to prevent the resale or transshipment to other countries, or the use for other than domestic consumption of the agricultural commodities purchased pursuant to this Agreement (unless such resale, transshipment or use is specifically approved by the Government of the United States of America); to prevent the export of any commodity of either domestic or foreign origin which is the same as or like the commodities purchased pursuant to this Agreement during the period beginning on the date of this Agreement and ending on the final date on which said commodities are being received and utilized (except where such export is specifically approved by the Government of the United States of America); and to ensure that the purchase of commodities pursuant to this Agreement does not result in increased availability of the same or like commodities to nations unfriendly to the United States of America.