No. 27060

UNITED STATES OF AMERICA
and
INDONESIA

Agreement for sales of agricultural commodities (with agreed minutes and attachments). Signed at Jakarta on 20 March 1982

Authentic text: English.

Registered by the United States of America on 24 January 1990.

ÉTATS-UNIS D'AMÉRIQUE
et
INDONÉSIE

Accord relatif à la vente de produits agricoles (avec procès-verbal approuvé et annexes). Signé à Jakarta le 20 mars 1982

Texte authentique : anglais.

Enregistré les États-Unis d'Amérique 24 janvier 1990.

AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of Indonesia agree to the sale of agricultural commodities specified below. This agreement shall consist of the preamble and Parts I and III of the agreement signed December 2, 1980,[2] together with the following Part II:

PART II. PARTICULAR PROVISIONS:

Item I. Commodity Table:

Commodity	Supply Period (U.S. FY)	Approximate Quantity (MT)	Maximum Export Market Value (DOLS MILLION)
Wheat	1982	104,000	17.5

Item II. Payment Terms: Convertible Local Currency Credit (CLCC)

(A) Initial payment - ten (10) percent;

(B) Currency use payment - ten (10) percent for section 104(A) purposes;

(C) Number of installment payments - twenty-six (26);

(D) Amount of each installment payment - approximately equal annual amounts;

(E) Due date of first installment payment - five(5) years after date of last delivery of commodities in each calendar year;

(F) Initial interest rate - two (2) percent;

(G) Continuing interest rate - three (3) percent.

Item III. Usual Marketing Table:

Commodity	Import Period (U.S. FY)	Usual Marketing Requirement (MT)
Wheat	1982	925,000

[1] Came into force on 20 March 1982 by signature.
[2] United Nations, *Treaty Series*, vol. 1268, p. 3.

Item IV. Export Limitations:

(A) The export limitation period:

The export limitation period shall be United States fiscal year 1982, or any subsequent United States fiscal year during which commodities financed under this agreement are being imported or utilized.

(B) Commodities to which limitations apply:
For the purposes of Part I, Article III (A) (4) of this agreement, the commodities which may not be exported are: wheat flour, rolled wheat, semolina, farina, and bulgur (or the same products under a different name).

Item V. Self-Help Measures:

(A) The Government of Indonesia agrees to undertake self-help measures to improve the production, storage, and distribution of agricultural commodities. The following self-help measures shall be implemented to contribute directly to development progress in poor rural areas and enable the poor to participate actively in increasing agricultural production through small farm agriculture.

(B) The Government of Indonesia agrees to undertake the following activities and in doing so to provide adequate financial, technical and managerial resources for their implementation:

(1) To improve the marketing infrastructure for farm commodities by the establishment of cooperative collection points.

Benchmark: In FY 1982 the GOI will commence establishing five cooperative collection points in each county (Kecamatan), initially on Java only, where small farmers can sell their grain to cooperatives for delivery to the Indonesian state grain buying agency. Each collection point will be equipped with a warehouse and office, weighing and testing equipment, a calculator, a small truck and a bicycle. These collection points will be completed by March 31, 1983.

(2) Provide funds for the development of groundwater irrigation in order to allow the production of more than one crop.

Benchmark: In FY 1982 the GOI will allocate funds to groundwater management and conservation programs in several regions of the country. Projects will study the feasibility and then develop the potential of using groundwater irrigation make possible double cropping.

Item VI. Economic development purposes for which proceeds accruing to importing country are to be used:

(A) The proceeds accruing to the Government of Indonesia from the sale of commodities financed under this agreement will be used for financing the self-help measures set forth in the agreement, and for development in the agricultural sector, in a manner designed to increase the access of the poor in the recipient country to an adequate, nutritious, and stable food supply.

(B) In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the Indonesian people and their capacity to participate in the development of their country. The measures identified under Item V will directly benefit the needy in the following ways:

(1) The establishment of commodity collection points will help small farmers by reducing their losses from deterioration and by enabling them to obtain optimum prices for their products.

(2) The groundwater development program will help to raise farm income by assisting those disadvantaged farmers who are unable to raise a second or third crop during the year due to inadequate water resources during the dry season.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement.

Done at Jakarta, in duplicate, the 20th day of March, 1982.

Republic of Indonesia:

By: [*Signed*]

RUSLI NOOR

Title: Director General
Foreign Economic, Social and
Cultural Relations

United States of America:

By: [*Signed*]

JOHN C. MONJO

Title: Chargé d'Affaires of the Embassy
of the United States of America

United States Department of Agriculture | Foreign Agricultural Service | Office of Agricultural Counselor

AGREED MINUTES

The following minutes of negotiations of the PL-480 Title I Agreement of March 20, 1982 are agreed upon by the representatives of the signatory Governments:

1. The representatives of the Government of Indonesia understand that the Preamble and Parts I and III of the December 1980 Title I, PL-480 Agreement has been made a portion of this Agreement.

2. The representatives of the signatory Governments understand and agree with the provisions of this Agreement which are covered in Attachments I and II to these Agreed Minutes.

DONE at Jakarta on this 20th day of March, 1982.

United States of America:
[*Signed — Signé*][1]

Republic of Indonesia:
[*Signed — Signé*][2]

[1] Signed by Alan W. Trick — Signé par Alan W. Trick.
[2] Signed by Bustanil Arifin — Signé par Bustanil Arifin.