

No. 3423

**UNITED STATES OF AMERICA
and
PAKISTAN**

**Exchange of notes constituting an agreement relating to
emergency relief assistance in agricultural commod-
ities. Karachi, 18 January 1955**

Official text: English.

Registered by the United States of America on 15 May 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
PAKISTAN**

**Échange de notes constituant un accord relatif à la fourni-
ture de produits agricoles à titre de secours d'urgence.
Karachi, 18 janvier 1955**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 15 mai 1956.

No. 3423. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND PAKISTAN RELATING TO EMERGENCY RELIEF ASSISTANCE IN AGRICULTURAL COMMODITIES. KARACHI, 18 JANUARY 1955

I

*The American Ambassador to the Pakistani Minister for Finance
and Economic Affairs*

AMERICAN EMBASSY

Karachi, January 18, 1955

Excellency :

I am pleased to inform Your Excellency that the Government of the United States of America is prepared to furnish additional emergency assistance in the amount of approximately \$12 million dollars in agricultural commodities representing the investment of the United States Commodity Credit Corporation in such commodities f.o.b. vessel at United States ports (approximately \$10 million market value when transported to Pakistan), subject to agreement on the commodities to be supplied under the terms of this Agreement, to the terms to be included in commodity transfer authorizations, and to the understandings set forth below.

1. Such commodities as may be furnished to the Government of Pakistan under this agreement will be used exclusively for the purpose of meeting, without discrimination, urgent relief requirements of the people of Pakistan. The Government of Pakistan will distribute such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them; or will sell such supplies to eligible persons or organizations in such manner and at such prices as may be agreed between our two Governments, for the benefit of needy people in Pakistan (including relief and rehabilitation in those areas in both East and West Pakistan which have been damaged by natural disasters such as the recent floods).

2. The Government of Pakistan agrees that the transfer of the commodities under this agreement will not displace or interfere with sales which might otherwise be made by the United States in these commodities and assures the Government of the United

¹ Came into force on 18 January 1955 by the exchange of the said notes.

States that the transfer of such commodities will not result in increased availability of these or like commodities to nations unfriendly to the United States.

3. The Government of Pakistan will establish in its own name an account in the State Bank of Pakistan, and will promptly deposit in this account (referred to below as the "Agricultural Commodity Account") amounts of local currency equivalent to any sums accruing to the Government of Pakistan and to the States or Provinces of Pakistan from the sale of any commodities supplied under this agreement, or otherwise accruing to the Government of Pakistan and to the States or Provinces of Pakistan as a result of the import of such commodities. The Government of Pakistan may at any time make advance deposits in the Agricultural Commodity Account, and will ensure that the deposits required under this paragraph are made in such amounts and at such times as may be necessary, and, in any event, not later than thirty days after the accrual of any sums referred to in the preceding sentence. Representatives of the two Governments will promptly agree upon necessary reasonable accounting procedures for arriving at aggregate accruals for the purposes of this paragraph. It is understood further, that the sums accruing from any such sale shall include import duties imposed and collected by any agency of the Government of Pakistan or any of its constituent States or Provinces.

4. The Government of Pakistan will, upon request, allocate to the use of the Government of the United States such amounts in the Agricultural Commodity Account (not to exceed 5% of the total accruing) as the latter Government may require for its expenditures in Pakistan, including its administrative expenditures in connection with any assistance supplied by the Government of the United States to the Government of Pakistan under this or any other agreement. The balance of the Account shall be used for the purposes of relief and rehabilitation as envisaged and provided in paragraph 1.

5. The Government of Pakistan will provide the Government of the United States with full and complete information relating to progress under this agreement, including statements on the use of assistance received.

6. The Government of Pakistan will receive persons designated by the Government of the United States to discharge the responsibilities of the latter Government under this agreement and will permit continuous observation and review by such persons of programs of assistance under this agreement, including the utilization of any such assistance. The Government of Pakistan will cooperate in facilitating the discharge of these responsibilities by such persons. Upon appropriate notification by the Government of the United States, the Government of Pakistan will accord such persons and accompanying members of their families, except as may otherwise be mutually agreed, the privileges and immunities specified in paragraphs 4 and 5 of the 1954 Supplementary Program Agreement for Technical Cooperation and Economic Assistance signed for the two Governments at Karachi on December 28, 1953.¹

7. The Government of Pakistan will permit and give full and continuous publicity in Pakistan to the objectives and progress of the operations under this agreement, including information to the people of Pakistan that this assistance is evidence of the friendship

¹ United Nations, *Treaty Series*, Vol. 222, p. 410, and Vol. 233, p. 302.

of the people of the United States for them, and will make public full statements of operations hereunder, including information as to the use of assistance received.

8. It is understood that the furnishing of any assistance under this agreement will necessarily be subject to the terms and conditions of any applicable United States legislation. Such assistance, including the delivery of any commodities scheduled and not yet delivered, may be terminated in whole or in part if either Government determines that because of changed conditions continuation of such assistance is unnecessary or undesirable.

9. The two Governments will, upon request of either of them, consult regarding any matter relating to the application of this agreement, and will conclude such additional arrangements as may be necessary to carry out the purposes of this agreement.

I have the honor to propose that, if these understandings are acceptable to the Government of Pakistan, this note and your Excellency's note in reply concurring therewith constitute an agreement between our two Governments, the said agreement to enter into force on the date of Your Excellency's reply and to remain in force until our two Governments agree to terminate it.

Accept, Excellency, the renewed assurances of my highest consideration.

Horace A. HILDRETH
Ambassador

The Honourable Chaudri Mohamad Ali
Minister for Finance and Economic Affairs
Government of Pakistan
Karachi

II

*The Pakistani Minister for Finance and Economic Affairs
to the American Ambassador*

GOVERNMENT OF PAKISTAN
MINISTER OF FINANCE AND ECONOMIC AFFAIRS

Karachi, the 18th January, 1955

Excellency,

I have the honour to refer to your note dated the 18th January 1955 communicating the offer of the Government of the United States of America to furnish additional emergency assistance in the amount of approximately \$12 million in agricultural commodities representing the investment of the United States Commodity Credit Corporation in such commodities f.o.b. vessel at

United States ports (approximately \$10 million market value when transported to Pakistan), subject to agreement on the commodities to be supplied under the term of this Agreement, to the terms to be included in commodity transfer authorizations, and to the understandings set forth in your Excellency's note referred to above, and have great pleasure in conveying the acceptance of the Government of Pakistan to the aforesaid offer.

I agree that your Excellency's note and this note in reply shall constitute an agreement between our two Governments, and that the said Agreement should enter into force today and remain in force until our two Governments agree to terminate it.

Accept, Excellency, the renewed assurances of my highest consideration.

MOHAMAD ALI
Minister for Finance and Economic Affairs

His Excellency Mr. Horace A. Hildreth
Ambassador of the United States of America in Pakistan
Karachi