

No. 3858

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**UNITED STATES OF AMERICA  
and  
BURMA**

**Agricultural Commodities Agreement under Title I of the  
Agricultural Trade Development and Assistance Act,  
as amended. Signed at Rangoon, on 8 February 1956**

**Exchange of notes constituting an agreement amending the  
above-mentioned Agreement. Rangoon, 4 December  
1956**

*Official text: English.*

*Registered by the United States of America on 27 May 1957.*

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

**Accord relatif aux produits agricoles, conclu dans le cadre  
du titre I de la loi tendant à développer et à favoriser  
le commerce agricole, telle qu'elle a été modifiée.  
Signé à Rangoon, le 8 février 1956**

**Échange de notes constituant un accord modifiant l'Accord  
susmentionné. Rangoon, 4 décembre 1956**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 27 mai 1957.*

No. 3858. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND  
THE UNION OF BURMA UNDER TITLE I OF THE  
AGRICULTURAL TRADE DEVELOPMENT AND AS-  
SISTANCE ACT, AS AMENDED. SIGNED AT RAN-  
GOON, ON 8 FEBRUARY 1956

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The Government of the United States of America and the Government of the Union of Burma,

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 in these commodities or unduly disrupt world prices of agricultural commodities;

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

Desiring to set forth the understanding which will govern the sales of agricultural commodities to the Union of Burma pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, 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 BURMESE KYAT

1. Subject to the issuance and acceptance of purchase authorization referred to in paragraph 2 of this Article, the Government of the United States of America undertakes to finance on or before June 30, 1956, the sale for Burmese kyat of certain agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, to purchasers authorized by the Government of the Union of Burma.
2. The United States Government will issue, within the terms of this Agreement, purchase authorizations which shall include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the Burmese kyat accruing from such sales, and other relevant matters, and which

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<sup>1</sup> Came into force on 8 February 1956, upon signature, in accordance with article VI.

shall be subject to acceptance by the Government of the Union of Burma. Certain commodities, and amounts, with respect to which tentative agreement has been reached by the two Governments, are listed in paragraph 3 of this Article.

3. The United States Government undertakes to finance the sale to the Union of Burma of the following commodities, in the export market values indicated, during the United States fiscal year 1956 under the terms of Title I of the said Act and of this Agreement :

<i>Commodity</i>	<i>Value (million dollars)</i>
Cotton . . . . .	\$17.5
Dairy products . . . . .	2.0
Tobacco . . . . .	1.1
Fruit . . . . .	0.2
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Ocean Transportation (est. 50%) . . . . .	\$20.8
	0.9
	<hr/>
TOTAL	\$21.7

### *Article II*

#### USES OF BURMESE KYAT

1. The two Governments agree that the local currency proceeds of sales under this Agreement shall be available for use by the United States for the purposes specified in sub-sections (a), (b), (d), (f) and (h) of Section 104 of the Act, but the United States and the Union of Burma may agree to other uses as authorized under said Section 104, and in such event such uses shall be made of the proceeds.

2. The Burmese kyat accruing under this Agreement shall be expended by the Government of the United States for purposes stated in paragraph I of this Article, in such manner and order of priority as the Government of the United States shall determine.

### *Article III*

#### DEPOSITS AND WITHDRAWALS OF BURMESE KYAT

The amount of Burmese kyat to be deposited to the account of the United States shall be the dollar sales value of the commodities reimbursed or financed by the Government of the United States converted into Burmese kyat at the rate of exchange for U. S. dollars, on the dates of dollar disbursement by the United States generally applicable to imports (except imports granted a preferential rate). Such dollar sales value shall include ocean freight and handling, reimbursed or

financed by the Government of the United States, except that it shall not include any extra cost of ocean freight resulting from a United States requirement that the commodities be transported on United States flag vessels.

#### *Article IV*

##### GENERAL UNDERTAKINGS

1. The Government of the Union of Burma agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or use for other than domestic purposes (except where such resale, transshipment or use is specifically approved by the Government of the United States), of surplus agricultural commodities purchased pursuant to the provisions of this Agreement, and to assure that its purchase of such commodities does not result in increased availability of these or like commodities for export to other countries.
  
2. The two Governments agree that they will take reasonable precautions to assure that sales or purchases of surplus agricultural commodities pursuant to this Agreement will not unduly disrupt world prices of agricultural commodities, displace usual marketings of the United States in these commodities, or materially impair trade relations among the countries of the free world.
  
3. In carrying out this Agreement appropriate steps shall be taken to assure that private trade channels in the United States are used to the maximum extent practicable.
  
4. The Government of the Union of Burma agrees to furnish, upon request of the Government of the United States, information on the progress of the program, particularly with respect to arrivals and condition of these commodities and the provisions for the maintenance of usual marketings, and information relating to exports of the same and like commodities.

#### *Article V*

##### CONSULTATION

The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to the operation of arrangements carried out pursuant to this Agreement.

#### *Article VI*

##### ENTRY INTO FORCE

This Agreement shall enter into force upon signature.

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

DONE at Rangoon on the eighth February 1956 in two original copies both of which are authentic.

For the Government of the United States of America :

Joseph C. SATTERTHWAITE  
Ambassador of the United States of America

For the Government of the Union of Burma :

U RASCHID  
Minister for Trade Development

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND  
BURMA AMENDING THE AGRICULTURAL COMMOD-  
ITIES AGREEMENT OF 8 FEBRUARY 1956<sup>2</sup> UNDER  
TITLE I OF THE AGRICULTURAL TRADE DEVELOP-  
MENT AND ASSISTANCE ACT, AS AMENDED. RAN-  
GOON, 4 DECEMBER 1956

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*The American Ambassador to the Burmese Deputy Prime Minister and Minister for  
Foreign Affairs*

AMERICAN EMBASSY  
RANGOON, BURMA

December 4, 1956

Mr. Minister :

I have the honor to refer to the "Agricultural Commodities Agreement between the United States of America and the Union of Burma under Title I, Agricultural Trade Development and Assistance Act, as Amended" signed at Rangoon on February 8, 1956,<sup>2</sup> which it is proposed shall be amended as follows :

Article II, paragraph 1, is amended to read :

"1. The two Governments agree that Burmese currency accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement shall be used by the Government of the United States of America for the following purposes in the amounts shown :

"(a) for United States expenditures under subsections *a, b, d, f* and *h* of Section 104 of the Act, the equivalent of \$4,400,000 (Four Million Four Hundred Thousand dollars) in the currency of the Union of Burma;

"(b) for loans to the Government of the Union of Burma to promote economic development of the Union of Burma under subsection *g* of Section 104 of the Act, the equivalent of \$17,300,000 (Seventeen Million Three Hundred Thousand dollars) in the currency of the Union of Burma, subject to a supplemental Agreement between the two Governments. In the event that local currency proceeds set aside for loans to the Government of the Union of Burma are not advanced within three years from the date of entry

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<sup>1</sup> Came into force on 4 December 1956 by the exchange of the said notes.

<sup>2</sup> See p. 190 of this volume.

into force of the amendment to this paragraph as the result of failure of the two Governments to reach agreement on the uses of the currency of the Union of Burma for loan purposes or for any other purpose, the Government of the United States of America may use the Burmese currency for those purposes authorized by Section 104 as stipulated in (a) above. ”

Upon receipt of a note from you indicating that the foregoing provisions are acceptable to the Government of the Union of Burma, I have the honor to propose that this note and your reply to that effect shall constitute an Agreement between our two Governments upon this subject, the Agreement to enter into force on the date of your note in reply.

Accept, Mr. Minister, the renewed assurances of my highest consideration.

Joseph C. SATTERTHWAITE

The Honorable Sao Hkun Hkio  
Deputy Prime Minister and Minister  
for Foreign Affairs  
Rangoon

## II

*The Burmese Deputy Prime Minister and Minister for Foreign Affairs to the  
American Ambassador*

FOREIGN OFFICE  
RANGOON

4th December 1956

Your Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of to-day's date which reads as follows :

[*See note I*]

I have the honour to inform you that the proposal is acceptable to my Government. Accordingly your note and the present reply will constitute an agreement between our two governments effective from to-day's date modifying the agreement of February 8, 1956 in the manner provided for therein.

Please accept, Sir, the renewed assurances of my highest consideration.

Sao HKUN HKIO  
Deputy Prime Minister  
and Minister for Foreign Affairs

His Excellency Mr. Joseph C. Satterthwaite  
Ambassador Extraordinary and Plenipotentiary  
of the United States of America  
Rangoon