

No. 3929

**UNITED STATES OF AMERICA
and
TURKEY**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended. Signed at Ankara, on 12 March 1956**

Official text: English.

Registered by the United States of America on 10 July 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
TURQUIE**

**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 Ankara, le 12 mars 1956**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 10 juillet 1957.

No. 3929. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE TURKISH REPUBLIC UNDER TITLE I OF THE
AGRICULTURAL TRADE DEVELOPMENT AND AS-
SISTANCE ACT, AS AMENDED. SIGNED AT ANKARA,
ON 12 MARCH 1956

The Government of the United States of America and the Government of the Turkish Republic :

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 Turkish lira of surplus agricultural commodities produced in the United States will assist in achieving such an expansion of trade ;

Considering that the Turkish lira 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 of surplus agricultural commodities to Turkey pursuant to Title I of the Agricultural 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 TURKISH LIRA

1. Subject to the issuance and acceptance of purchase authorizations 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 Turkish lira 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 Turkish Republic.

¹ Came into force on 12 March 1956, upon signature, in accordance with article VI.

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 Turkish lira accruing from such sales, and other relevant matters, and which shall be subject to acceptance by the Government of the Turkish Republic. 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 Turkish Republic of cottonseed oil and/or soybean oil in the export market value of \$4.0 million, including the estimated 50% cost of ocean transportation required to be shipped on U. S. flag vessels, during the U. S. fiscal year 1956 under the terms of Title I of the said Act and of this Agreement :

Article II

USES OF TURKISH LIRA

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

- (i) For payment of U. S. expenses in Turkey including International Educational Exchange activities, agricultural market development, and expenses of other U. S. agencies in Turkey in accordance with subsections (a), (f) and (h) of Section 104 of the Act : the Turkish lira equivalent of \$2.0 million.
- (ii) For loans for economic development under subsection (g) of Section 104 of the Act : the Turkish lira equivalent of \$2.0 million.

2. The Turkish lira accruing under this Agreement shall be expended by the Government of the United States for the purposes stated in paragraph 1 of this Article, in such manner and order of priority as the Government of the United States shall determine.

Article III

DEPOSITS OF TURKISH LIRA

1. The amount of local currency 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 Turkish lira at the rate of exchange for U. S. dollars generally applicable to import trans-

actions (excluding imports granted a preferential rate) on the dates of dollar disbursement by the United States or U. S. banks on behalf of the United States. Such dollar sales value shall include ocean freight and handling reimbursed or financed by the Government of the United States, but 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 Turkish Republic 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 the Agricultural Trade Development and Assistance Act of 1954, as amended, and to assure that its purchase of such commodities does not result in increased availability of these or like commodities to nations unfriendly to the United States

2. The two Governments agree that they will take reasonable precautions to assure that all sales of surplus agricultural commodities pursuant to the Agricultural Trade Development and Assistance Act of 1954, as amended, 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 the two Governments will seek to assure conditions of commerce permitting private traders to function effectively and will use their best endeavors to develop and expand continuous market demand for agricultural commodities.

4. The Government of the Turkish Republic 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 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 Ankara, Turkey, in duplicate, in the English language, this twelfth day of March, 1956.

For the Government
of the United States of America :

Foy D. KOHLER
Chargé d'affaires ad interim

[SEAL]

For the Government
of the Republic of Turkey :

Melih ESENBEL
Secretary General
The Organization for International
Economic Cooperation

[SEAL]
