

No. 4007

**UNITED STATES OF AMERICA
and
GREECE**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance
Act (with exchange of notes). Signed at Athens, on
8 August 1956**

Official text: English.

Registered by the United States of America on 2 October 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
GRÈCE**

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre I de la loi tendant à développer et à favoriser
le commerce agricole (avec échange de notes). Signé à
Athènes, le 8 août 1956**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 2 octobre 1957.

No. 4007. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
GREECE UNDER TITLE I OF THE AGRICULTURAL
TRADE DEVELOPMENT AND ASSISTANCE ACT. SIGN-
ED AT ATHENS, ON 8 AUGUST 1956

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

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 marketing of the United States in these commodities or unduly disrupt world prices of agricultural commodities ;

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

Considering that the drachmae 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 agricultural commodities to Greece pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954, 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 DRACHMAE

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, 1957, the sale for drachmae of certain agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954 to purchasers authorized by the Government of Greece.

2. The United States Government will issue purchase authorizations which shall include provisions relating to the sale and delivery of commodities, the

¹ Came into force on 8 August 1956, upon signature, in accordance with article VI.

time and circumstances of deposit of the drachmae accruing from such sales, and other relevant matters, and which shall be subject to acceptance by the Government of Greece. Certain commodities, and amounts, with respect to which 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 Greece of the following commodities, in the values indicated, under purchase authorization to be issued on or before June 30, 1957, under the terms of Title I of the said Act and of this Agreement :

<i>Commodity</i>	<i>Amount (Million Dollars)</i>
Wheat	5.0
Feed grain	2.8
Cottonseed oil and/or soybean oil	5.8
Lard	0.5
Non-fat dry milk	1.1
Ocean transportation	2.0
	TOTAL 17.2

Article II

USES OF DRACHMAE

1. The two Governments agree that drachmae 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 :

- (a) To help develop new markets for United States agricultural commodities and for other United States expenditures in Greece under subsections (a), (f), and (h) of Section 104 of the Act, the drachma equivalent of \$5.2 million.
- (b) For loans to the Government of Greece to promote the economic development of Greece under section 104 (g) of the Act, the drachma equivalent of \$12.0 million, subject to supplemental agreement between the two Governments. In the event that drachmae set aside for loans to the Government of Greece are not advanced within three years from the date of this Agreement as a result of failure of the two Governments to reach agreement on uses of the drachmae for loan purposes or for any other purpose, the Government of the United States may use the drachmae for any other purpose authorized by Section 104 of the Act.

2. The drachmae 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 AND WITHDRAWALS OF DRACHMAE

1. The amount of drachmae 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 drachmae at the rate of exchange on the dates of dollar disbursements by the United States, generally applicable to import transactions (excluding 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 freight resulting from a United States requirement that the commodities be transported on United States flag vessels.

2. Drawings on such special account for the loan uses specified in paragraph 1 (b) of Article II of this Agreement shall be accomplished by transferring from such special account to the account of the Greek Government the equivalent of the drachmae to be loaned.

Article IV

GENERAL UNDERTAKINGS

1. The Government of Greece 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 to nations unfriendly to the United States.

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 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 Greece 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 or 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 Athens, Greece, this eighth day of August, 1956.

For the United States of America :
Ray L. THURSTON

For the Kingdom of Greece :
D. HELMIS

EXCHANGE OF NOTES

I

The American Chargé d'Affaires ad interim to the Greek Minister of Coordination

Athens, August 8, 1956

Excellency :

I am pleased to refer to the Agricultural Commodities Agreement between the United States and Greece under Title I of Public Law 480, providing for

a total of \$17.2 million, signed at Athens today.¹ In addition to the terms of the above-referred Sales Agreement, the Governments of Greece and of the United States also agree that the loan to Greece under this Agreement would be repayable over a period of forty years at 4 percent interest per annum if repaid in drachmae, that the rate of exchange for deposit to the drachmae account under this and all previously signed Public Law 480 Sales Agreements will be 30.10 drachmae to the dollar, and that the Government of Greece will purchase from the United States from other funds, which could be defense support funds, 10 thousand tons of coarse grains over and above the quantity of coarse grains provided for in the above-referred Sales Agreement.

Please be assured of my highest personal consideration.

Respectfully yours,

Ray L. THURSTON
Chargé d'Affaires a. i.

His Excellency Demetrios Helmis
Minister of Coordination
Athens

II

The Greek Minister of Coordination to the American Chargé d'Affaires ad interim

MINISTRY OF COORDINATION
THE MINISTER

Athens, August 8th, 1956

Monsieur le Chargé d'Affaires,

I have received your letter dated August 8, 1956 which reads as follows :

[See note I]

I am pleased to inform you that I am in complete agreement with the text of your letter.

Yours sincerely,

D. HELMIS

Monsieur le Chargé d'Affaires
R. T. Thurston
In town

¹ See p. 204 of this volume.