

No. 4058

**UNITED STATES OF AMERICA
and
FRANCE**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act.
Signed at Paris, on 8 November 1956**

Official texts: English and French.

Registered by the United States of America on 5 November 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
FRANCE**

**Accord conformément aux dispositions du titre I de la loi
tendant à développer et à aider le commerce agricole.
Signé à Paris, le 8 novembre 1956**

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 5 novembre 1957.

No. 4058. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
THE FRENCH REPUBLIC UNDER TITLE I OF THE
AGRICULTURAL TRADE DEVELOPMENT AND AS-
SISTANCE ACT. SIGNED AT PARIS, ON 8 NOVEMBER
1956

The Government of the United States of America and the Government of the French 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 and France in these commodities or unduly disrupt world prices of agricultural commodities ;

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

Considering that the francs 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, as specified below, of surplus agricultural commodities to France pursuant to Title I of the Agricultural Trade Development and Assistance Act 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 FRANCS

1. Subject to the issuance and acceptance of purchase authorizations referred to in paragraph 2 of this Article, the Government of the United States undertakes to finance on or before June 30, 1957, the sale for francs of certain agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act to purchasers authorized by the French Government.

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

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

the time and circumstances of deposit of the francs accruing from such sales, and other relevant matters, and which shall be subject to acceptance by the French Government. The commodity and amount, with respect to which tentative agreement has been reached by the two Governments, is listed in paragraph 3 of this Article.

3. The Government of the United States undertakes to finance the sale to France of the following commodity, in the amount indicated, during the period ending June 30, 1957, under the terms of Title I of the said Act and this Agreement :

<i>Commodity</i>	<i>Amount (millions)</i>
Tobacco	\$1.4

Article II

USES OF FRANCS

1. The two Governments agree that francs accruing to the Government of the United States as a consequence of sales made pursuant to this Agreement will be used as follows :

- (a) The equivalent of approximately \$600,000 for financing programs under subsection (a) of Section 104 of the Act for the development of new markets for tobacco in France as agreed upon with the Service Français d'Exploitation Industrielle des Tabacs et des Allumettes and for other agricultural commodities. Consultation between the two Governments will take place with respect to projects involving commodities other than tobacco and such projects will be subject to prior approval by the French Government.
- (b) The equivalent of approximately \$660,000 for expenditures of the Government of the United States under subsection (d) of Section 104 of the Act.
- (c) The equivalent of \$140,000 for expenditures in France of the Government of the United States under subsection (f) of Section 104 of the Act.

2. If, by December 31, 1957, it has not been possible to develop an agreed program within the framework of paragraphs 1 (a) and (b) above for the utilization of the francs which will become available pursuant to this Agreement, the two Governments may agree upon other uses for such funds consistent with the provisions of Section 104 of the Act. In any case, after December 31, 1957, the Government of the United States shall have the right on its own responsibility

to utilize any unexpended balances in such francs for the payment of any of its obligations in the franc area.

Article III

DEPOSIT OF FRANCS AND RATE OF EXCHANGE

The deposit of francs in payment for the commodities (and for ocean freight costs financed by the United States, except excess costs resulting from the requirement that United States flag vessels be used) shall be made at the highest selling rate for U. S. dollars quoted on the free foreign exchange market at Paris in effect on the dates of dollar disbursement by United States banks, or by the United States, as provided in the purchase authorizations.

Article IV

GENERAL UNDERTAKINGS

1. The French Government agrees that it will take all possible measures to prevent the resale or transshipment to other countries before processing, or use for other than domestic purposes before processing (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.

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 or France 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 use their best endeavors to develop and expand continuous market demand for agricultural commodities referred to in this Agreement.

4. The French Government 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 statistical 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 to be 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 Paris in duplicate in the English and French languages this eighth day of November, 1956.

For the Government
of the United States of America :
John W. TUTHILL

For the Government
of the French Republic :
J. DONNEDIEU DE VABRES