

No. 4069

**UNITED STATES OF AMERICA
and
NETHERLANDS**

**Agreement relating to surplus agricultural commodities.
Signed at The Hague, on 7 August 1956**

Official texts: English and Dutch.

Registered by the United States of America on 11 November 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
PAYS-BAS**

**Accord relatif aux produits agricoles en surplus. Signé à
La Haye, le 7 août 1956**

Textes officiels anglais et néerlandais.

Enregistré par les États-Unis d'Amérique le 11 novembre 1957.

No. 4069. AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE NETHERLANDS RELATING TO SURPLUS AGRICULTURAL COMMODITIES, SIGNED AT THE HAGUE, ON 7 AUGUST 1956

The Government of the United States of America and the Government of the Kingdom of the Netherlands;

Considering that the purchase of surplus cotton produced in the United States for Dutch guilders and the utilization of such guilders for the purpose as described hereunder, could assist in achieving an expansion of trade in agricultural commodities;

Have agreed as follows :

1. Subject to the issuance and acceptance of purchase authorizations referred to in paragraph 2, the United States Government undertakes to finance the sale for Dutch guilders of raw cotton, a surplus commodity under the Agricultural Trade Development and Assistance Act of 1954, to purchasers authorized by the Netherlands Government.

2. The United States Government will issue purchase authorizations for 275,000 dollars worth of cotton, which shall include provisions relating to the sale and delivery of this cotton and other relevant matters, and which will be subject to acceptance by the Netherlands Government.

3. The two Governments agree that the Dutch guilders accruing to the United States Government as a consequence of the sale, pursuant to this agreement, will be used by the United States Government,

(a) for agricultural market development, the countervalue of 247,500 dollars. It is understood that the countervalue of 200,000 dollars expended under this provision will be used by the Government of the United States for the purpose of financing market research and sales promotion projects in the Netherlands to be jointly developed and administered by the National Cotton Council of America and the "Stichting Katoenpropaganda" in the Netherlands. It is further understood that the countervalue of 47,500 dollars will be used for payments of expenses of the National Cotton Council in connection with the aforementioned projects; up to the countervalue of 25,000 dollars of this amount will be convertible into currencies of other countries;

(b) for payment of United States expenses in the Netherlands the countervalue of 27,500 dollars.

¹ Came into force on 7 August 1956, upon signature, in accordance with paragraph 8.

4. The amount of Dutch guilders to be deposited to the account of the United States would be the dollar sales value of the cotton reimbursed or financed by the United States Government (including transportation, if financed by the United States, and handling) converted into Dutch guilders at the commercial selling rate for United States dollars in Amsterdam at the close of business on the dates of dollar reimbursements.

5. The Government of the Netherlands agrees that the cotton purchased pursuant to this agreement will be used only by the domestic textile industry and that it will take reasonable precautions to prevent the sale to countries unfriendly to the United States of cotton or cotton textiles which would be exported to such countries as a consequence of purchases under this agreement. The Netherlands Government will provide assurances for each individual transaction pursuant to this agreement that the cotton purchased will be in addition to normal United States marketings.

6. The two Governments will, upon request of either of them, consult regarding any matter relating to the application of this agreement.

7. As far as the Kingdom of the Netherlands is concerned the provisions of this agreement shall apply to the realm in Europe only.

8. This agreement enters into force upon signature and shall remain in force for a period of one year after the date of signature.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed the present Agreement.

DONE at The Hague, this seventh day of August 1956, in two copies, in the English and the Netherlands language, both texts being equally authentic.

For the Government of the United States of America :
H. Freeman MATTHEWS

For the Government of the Kingdom of the Netherlands :
J. M. A. H. LUNS
J. W. BEYEN