

No. 4093

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**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 November  
1956**

**Agreement to supplement the above-mentioned Agreement.  
Signed at Ankara, on 25 January 1957**

*Official text: English.*

*Registered by the United States of America on 25 November 1957.*

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**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 favo-  
riser le commerce agricole, telle qu'elle a été modifiée.  
Signé à Ankara, le 12 novembre 1956**

**Accord complétant l'Accord susmentionné. Signé à Ankara,  
le 25 janvier 1957**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 25 novembre 1957.*

No. 4093. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED STATES  
OF AMERICA AND THE GOVERNMENT OF THE REPUB-  
LIC OF TURKEY UNDER TITLE I OF THE AGRICUL-  
TURAL TRADE DEVELOPMENT AND ASSISTANCE ACT,  
AS AMENDED. SIGNED AT ANKARA, ON 12 NOVEMBER  
1956

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

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

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

Considering that the 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 the Government of the Republic of Turkey pursuant to Title I of the Agricultural Trade Development and Assistance Act, 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 LIRA

Subject to the issuance by the Government of the United States of America and acceptance by the Government of the Republic of Turkey of purchase authorizations during the period ending January 31, 1957, for wheat and corn and June 30, 1957, for inedible tallow and frozen beef, the Government of the United

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<sup>1</sup> Came into force on 12 November 1956, upon signature, in accordance with article VI.

States of America undertakes to finance the sale to purchasers authorized by the Government of the Republic of Turkey, for lira, of the following agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act in the amount indicated :

<i>Commodity</i>	<i>Amount (million)</i>
Wheat . . . . .	\$31. 6
Corn . . . . .	. 6
Inedible tallow . . . . .	3. 3
Beef, frozen . . . . .	4. 4
Ocean Transportation (estimated) . . . . .	6. 4
	TOTAL \$46. 3

Purchase authorizations issued pursuant to the above will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the lira accruing from such sale and other relevant matters.

### *Article II*

#### USES OF LIRA

1. The two Governments agree that the lira accruing to the Government of the United States of America as a consequence of the sales made pursuant to this agreement will be used by the Government of the United States of America, in such manner and order of priority as the Government of the United States of America shall determine, for the following purposes, in the amounts shown :

- (a) To help develop new markets for United States agricultural commodities, for international educational exchange, for financing the translation, publication and distribution of books and periodicals, and for other expenditures by the Government of the United States of America in Turkey under Subsections 104 (a), 104 (h), 104 (i), and 104 (f) of the Act, the lira equivalent of \$21,900,000.
- (b) To provide assistance of the types provided for under subsection 104 (j) of the Act, the lira equivalent of not to exceed \$1,250,000.
- (c) For a loan to the Government of the Republic of Turkey to promote the economic development of Turkey under Subsection 104 (g) of the Act, the lira equivalent of \$23,150,000, the terms and conditions of which will be included in a supplemental agreement between the two Governments. Not less than the lira deposit equivalent of \$6,000,000 million or 25% of the total lira deposit

that may be made available for economic development loans under Subsection 104 (g) of the Act, whichever is the greater, will be reserved for relending to private enterprise through established banking facilities under procedures to be agreed upon by the two Governments. It is understood that the loan will be denominated in dollars, with payment of principal and interest to be made in U.S. dollars or, at the option of the Government of the Republic of Turkey, in lira, such payments in lira to be made at the applicable exchange rate in effect on date of each payment. It is further understood that loan funds shall be disbursed only after prior agreement as to the uses of such loan funds. These and other provisions will be set forth in the loan agreement and any agreement supplemental thereto. In the event the lira set aside for loans to the Government of the Republic of Turkey are not advanced within three years from the date of the Agreement as a result of failure of the two Governments to reach agreement on the use of the lira for loan purposes, the Government of the United States of America may use the lira for any purpose authorized by Section 104 of the Act.

2. In the event the total of lira accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement is less than the lira equivalent of \$46,300,000 the amount available for a loan to the Government of the Republic of Turkey under Subsection 104 (g) would be reduced by the amount of such difference ; in the event the total lira deposit exceeds the equivalent of \$46,300,000, 50 percent of the excess would be available for the use of the Government of the United States of America under Subsection 104 (f) and 50 percent would be available for the loan.

### *Article III*

#### DEPOSIT OF LIRA

The deposit of lira to the account of the Government of the United States of America shall be made as follows :

(1) For wheat and any other commodity for which the Government of the Republic of Turkey's domestic purchase price is higher than the CIF price, in an amount equivalent to the lira value of the commodities calculated on the basis of the Government of the Republic of Turkey's purchase price for the commodity domestically produced ;

(2) For other commodities, and for ocean transportation costs on such commodities financed by the Government of the United States of America (except excess costs resulting from the requirement that United States flag vessels be used), at the rate of exchange for U.S. dollars generally applicable to import

transactions (excluding imports granted a preferential rate) in effect on the dates of dollar disbursement by U.S. banks, or by the Government of the United States of America, as provided in the purchase authorizations. In case of a change either in domestic purchase prices established by the Government of the Republic of Turkey or in the exchange rate system, this article shall be subject to renegotiation regarding subsequent transactions under this agreement.

#### *Article IV*

##### GENERAL UNDERTAKINGS

1. The Government of the Republic of Turkey agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or the use for other than domestic purposes (except where such resale, transshipment or use is specifically approved by the Government of the United States of America), of the surplus agricultural commodities purchased pursuant to the provisions of this Agreement, and to assure that the purchase of such commodities does not result in increased availability of these or like commodities to nations unfriendly to the United States of America.

2. The two Governments agree that they will take reasonable precaution 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 of America 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 Republic of Turkey agrees to furnish, upon request of the Government of the United States of America, 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 in duplicate at Ankara, Turkey, in the English language, this twelfth day of November, 1956.

For the Government  
of the United States of America :

Fletcher WARREN

[SEAL]

For the Government  
of the Republic of Turkey :

Melih ESENBEL

[SEAL]

AGREEMENT<sup>1</sup> TO SUPPLEMENT THE AGRICULTURAL COMMODITIES AGREEMENT OF NOVEMBER 12, 1956,<sup>2</sup> BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT ANKARA, ON 25 JANUARY 1957

The Agricultural Commodities Agreement Between the Government of the United States of America and the Government of the Republic of Turkey under Title I of the Agricultural Trade Development and Assistance Act, as Amended, signed at Ankara on November 12, 1956,<sup>2</sup> is hereby supplemented :

(1) to provide for additional financing by the Government of the United States on or before June 30, 1957, of additional commodities and certain ocean transportation costs, as follows :

	<i>Export Market Value (million)</i>
Wheat . . . . .	\$7. 40
Barley . . . . .	2. 20
Corn . . . . .	2. 50
Canned beef . . . . .	. 50
Cheese . . . . .	. 60
Non-fat dry milk . . . . .	. 03
Cottonseed and/or soybean oil . . . . .	3. 90
Ocean transportation (estimated) . . . . .	2. 27
	TOTAL \$19. 40

and (2) to provide that the lira accruing to the Government of the United States as a consequence of sales of commodities made pursuant to this Supplemental Agreement will be used by the Government of the United States, as follows :

(a) for payment of United States expenses in Turkey, including expenditures in accordance with subsections (a), (f), (h), and (i) of Section 104 of the Act, the Turkish lira equivalent of \$8,480,000 ;

<sup>1</sup> Came into force on 25 January 1957, upon signature, in accordance with its provisions.

<sup>2</sup> See p. 78 of this volume.

- (b) to provide assistance of the types provided for under subsection 104 (j) of the Act, the lira equivalent of not to exceed \$1,220,000 ;
- (c) for loans to the Government of the Republic of Turkey to promote multilateral trade and economic development, the lira equivalent of \$9,700,000. The terms and conditions of such loans will be set forth in a supplemental loan agreement to be negotiated between the two governments.

The provisions of this Agreement are supplemental to and not in replacement of the provisions of the Agreement of November 12, 1956, and all relevant provisions of the Agreement of November 12, 1956, are equally applicable to this Agreement. This Supplemental Agreement shall enter into force upon signature.

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

DONE at Ankara, Turkey, in duplicate, in the English language, this twenty-fifth day of January, 1957.

For the Government  
of the United States of America :  
Fletcher WARREN

For the Government  
of the Republic of Turkey :  
Melih ESENBEL