

**UNITED STATES OF AMERICA
and
COLOMBIA**

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with Memorandum of Understanding and related notes dated 14 and 26 March 1958). Signed at Bogotá, on 14 March 1958

Exchange of notes constituting an agreement relating to the above-mentioned Agreement. Bogotá, 20 March and 23 April 1958

Exchange of notes constituting an agreement relating to the above-mentioned Agreement of 14 March 1958. Bogotá, 10 and 23 April 1958

Official texts: English and Spanish.

Registered by the United States of America on 1 August 1958.

**ÉTATS-UNIS D'AMÉRIQUE
et
COLOMBIE**

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 (avec Mémorandum d'accord et notes connexes, en date des 14 et 26 mars 1958). Signé à Bogota, le 14 mars 1958

Échange de notes constituant un accord relatif à l'Accord susmentionné. Bogota, 20 mars et 23 avril 1958

Échange de notes constituant un accord relatif à l'Accord susmentionné du 14 mars 1958. Bogota, 10 et 23 avril 1958

Textes officiels anglais et espagnol.

Enregistrés par les États-Unis d'Amérique le 1^{er} août 1958.

No. 4459. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
COLOMBIA UNDER TITLE I OF THE AGRICULTURAL
TRADE DEVELOPMENT AND ASSISTANCE ACT, AS
AMENDED. SIGNED AT BOGOTÁ, ON 14 MARCH 1958

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

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 Colombian pesos of surplus agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade;

Considering that the Colombian pesos accruing from such purchases will be utilized in a manner beneficial to both countries;

Desiring to set forth understandings which will govern the sales of surplus agricultural commodities to the Government of Colombia 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 PESOS

Subject to the issuance by the Government of the United States of America and acceptance by the Government of Colombia during the period ending June 30, 1958, of purchase authorizations, the Government of the United States of America undertakes to finance the sale to purchasers authorized by the Government of Colombia, for pesos, of the following agricultural commodities determined to be surplus pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended, in the amount indicated :

¹ Came into force on 14 March 1958, upon signature, in accordance with article VI.

<i>Commodity</i>	<i>Amount (Million)</i>
Corn, yellow	\$1.1
Barley, feed5
Grain sorghum5
Oats, feed1
Soybean and/or cottonseed oils	2.5
Cotton	2.8
Tobacco5
Dairy products2
Ocean transportation (est. 50%)5
	<hr/>
TOTAL	\$8.7

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 pesos accruing from such sale and other relevant matters.

Article II

USES OF PESOS

1. The two Governments agree that the pesos 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 may 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 under Sections 104 (a), 104 (f), 104 (h) and 104 (i) of the Act, the peso equivalent of \$1.30 million.
- (b) To provide assistance of the types provided for under Section 104 (j) of the Act, the peso equivalent of not to exceed \$870,000.
- (c) For loans to be made by the Export-Import Bank of Washington under Section 104 (e) of said Act and for administrative expenses in Colombia incident thereto the peso equivalent of \$2.18 million, but not more than 25 percent of the currencies received under the agreement. Such loans will be made to United States business firms and branches, subsidiaries or affiliates of such firms in Colombia for business development and trade expansion in Colombia, and to United States firms and to Colombian firms

for the establishment of facilities for aiding in the utilization, distribution or otherwise increasing the consumption of and markets for United States agricultural products. It is understood that such loans will be mutually agreeable to the Export-Import Bank of Washington and the Government of Colombia. The Banco de la República will act on the behalf of the Government of Colombia in this matter. In the event the pesos set aside for loans under Section 104 (e) of said Act are not advanced within three years from the date of this agreement because Export-Import Bank of Washington has not approved loans or because proposed loans have not been mutually agreeable to Export-Import Bank of Washington and the Banco de la República, the Government of the United States of America may use the pesos for any purpose authorized by Section 104 of the Act.

- (d) For a loan to the Government of Colombia to promote the economic development of Colombia under Section 104 (g) of the Act, the peso equivalent of \$4.35 million, the terms and conditions of which will be included in a supplemental agreement between the two Governments. It is understood that the loan will be denominated in dollars with payment of principle and interest to be made in U.S. dollars, or, at the option of the GOC in pesos, such payments in pesos to be made at the applicable exchange rates as defined in the loan agreement, in effect on the date of 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 pesos set aside for loans to the Government of Colombia 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 the use of the pesos for loan purposes, the Government of the United States of America may use the pesos for any other purpose authorized by Section 104 of the Act.

2. In the event the total of pesos accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement is less than the peso equivalent of \$8.7 million the amount available for a loan to the Government of Colombia under Section 104 (g) may be reduced by the amount of such difference; in the event the total peso deposit exceeds the equivalent of \$8.7 million, 50 percent may be available for the loan under 104 (g) and 50 percent for any use or uses authorized under Section 104 as determined by the Government of the United States of America.

Article III

DEPOSIT OF COLOMBIAN PESOS

The deposit of Colombian pesos to the account of the Government of the United States of America in payment for the commodities and for ocean transportation costs financed by the Government of the United States of America (except excess costs resulting from the requirement that United States flag vessels be used) shall be made at the rate of exchange for United States dollars generally applicable to import transactions (excluding imports granted a preferential rate) in effect on the dates of dollar disbursement by the United States of America, as provided in the purchase authorizations.

Article IV

GENERAL UNDERTAKINGS

1. The Government of Colombia 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 Colombia 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 conditions 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 Bogotá in the English and Spanish languages, this 14th day of March 1958.

For the Government
of the United States of America :
John M. CABOT

For the Government
of Colombia :
C. S. DE SANTAMARÍA

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF COLOMBIA RELATIVE TO AGRICULTURAL COMMODITIES AGREEMENT DATED MARCH 14, 1958¹

The Government of the United States of America and the Government of Colombia have agreed as follows :

Section I

Subject to the provisions of the Agricultural Commodities Agreement between the two Governments dated March 14, 1958¹ it is understood that the Government of the United States will issue and the Government of Colombia will accept purchase authorizations during the period ending 90 calendar days from the date this Agreement is effective. It is further understood that the Government of Colombia will purchase all the commodities except soybean and/or cottonseed oils on or before March 31, 1958 and complete shipment on or before June 30, 1958. The oils will be purchased on or before June 30, 1958 and shipments completed on or before December 31, 1958.

¹ See p. 116 of this volume.

Section II

USUAL MARKETINGS

The two Governments agree that imports of surplus agricultural commodities under the foresaid agreement to which this memorandum relates shall be over and above usual commercial imports from all sources for the period covered by this Agreement. Commercial imports shall be for the fiscal year 1957-58 : a minimum of grain or products equivalent to 23,000 M. T. of barley; a minimum of grain or products equivalent to 9,000 M. T. of oats; a minimum of 7,300 M. T. of edible oils; a minimum of 25,000 bales of cotton; a minimum of tobacco products equivalent in import value to \$500,000 plus the cost of manufacturing the tobacco provided in the Agricultural Commodities Agreement into tobacco products; all from the United States and such quantities of the above commodities from other supplying countries as will not disrupt normal trade patterns.

Section III

It is further agreed by the two Governments that the Government of Colombia will use its best efforts to pass on to consumers to the fullest extent possible the low costs of the surplus agricultural commodities purchased under the Agricultural Commodities Agreement. To this end, the Government of Colombia will arrange that these commodities are made available to consumers at prices not to exceed those at which locally produced commodities are made available, and that income derived from the difference between purchase and sale prices will be used to increase the availability and decrease the cost of food to Colombian consumers through aids to importation and distribution.

J. M. C.
C. S. DE S.

RELATED NOTES

The American Ambassador to the Colombian Minister of Foreign Affairs

No. 164

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement between the Government of the United States of America and the Government of Colombia signed today¹ and in particular to Article II, Paragraph 1 (a), concerning the development of new markets for United States agricultural commodities.

I wish to confirm my Government's understanding of the agreement reached in conversations which have taken place between the Embassy and the Ministry of Foreign Affairs with reference to the conversion of an amount not to exceed the peso equivalent of \$50,000 into other currencies except United States dollars upon request by the Government of the United States of America. This facility is requested for the purpose of having funds to pay for international transportation of United States and other personnel engaged in agricultural marketing development activities and to finance market development activities in third countries and procure supplies and equipment for such purposes.

I shall appreciate receiving Your Excellency's confirmation of the above understanding.

Accept, Excellency, the renewed assurances of my highest consideration.

John M. CABOT

His Excellency Dr. Carlos Sanz de Santamaría
Minister of Foreign Affairs
Bogotá

March 14, 1958

¹ See p. 116 of this volume,

The Colombian Minister of Foreign Affairs to the American Ambassador

[SPANISH TEXT — TEXTE ESPAGNOL]

[TRANSLATION¹ — TRADUCTION²]

MINISTERIO DE RELACIONES EXTERIORES

MINISTRY OF FOREIGN AFFAIRS

Bogotá, marzo 26 de 1958

Bogotá, March 26, 1958

A/E 1095

A/E 1095

Señor Embajador :

Mr. Ambassador :

Tengo el honor de referirme a la atenta nota de Vuestra Excelencia, de fecha 14 de los corrientes, distinguida con el número 164, relacionada con el Artículo II, Párrafo I (a) del Convenio sobre Excedentes Agrícolas firmado entre el Gobierno de Colombia y el Gobierno de los Estados Unidos de América el día 14 de marzo de 1958.

Me he enterado con toda atención de la solicitud de Vuestra Excelencia referente a la conversión de una cantidad que no exceda al equivalente en pesos de US\$50.000.00, a otras monedas, exceptuando dólares estadounidenses, con el fin de que el Gobierno de los Estados Unidos de América tenga fondos para pagar por el transporte internacional de personal que se dedique a actividades de desarrollo de mercados, como también para obtener materiales y equipos para tales fines.

Sobre el particular me permito informar a Vuestra Excelencia que el Gobierno de Colombia tendrá mucho gusto en acceder a su solicitud, en el entendimiento de que podrá efectuar el pago en dólares estadounidenses, de no contar con monedas distintas, para que el Gobierno de los Estados Unidos de América efectúe la conversión a la

I have the honor to refer to Your Excellency's courteous note No. 164, dated the 14th of this month, relating to Article II, Paragraph I (a) of the Surplus Agricultural Commodities Agreement concluded on March 14, 1958 between the Government of Colombia and the Government of the United States of America.

I have taken due note of Your Excellency's request regarding the conversion of an amount not exceeding the peso equivalent of US\$50,000.00 into other currencies except United States dollars to the end that the Government of the United States of America may have funds to pay for the international transportation of personnel engaged in marketing development activities, as well as to procure supplies and equipment for such purposes.

In this connection I take the liberty of informing Your Excellency that the Government of Colombia will be very happy to accede to your request on the understanding that it may effect payment in United States dollars if it does not have other currencies at its disposal, so that the Government of the United States of America may

¹ Translation by the Government of the United States of America.² Traduction du Gouvernement des États-Unis d'Amérique.

moneda que requiera, a fin de atender a sus diversas necesidades.

Me valgo de la oportunidad para reiterar a Vuestra Excelencia las expresiones de mi más alta y distinguida consideración,

C. S. DE SANTAMARÍA

A Su Excelencia
el Señor John M. Cabot
Embajador Extraordinario
y Plenipotenciario
de los Estados Unidos
de América
La Ciudad

make the conversion to the currency it requires, in order to take care of its various needs.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

C. S. DE SANTAMARÍA

His Excellency
John M. Cabot
Ambassador Extraordinary
and Plenipotentiary
of the United States
of America
City

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND COLOMBIA RELATING TO THE AGRICULTURAL COMMODITIES AGREEMENT OF 14 MARCH 1958.²
BOGOTÁ, 20 MARCH AND 23 APRIL 1958

I

The American Ambassador to the Colombian Minister of Foreign Affairs

No. 176

Excellency :

I have the honor to refer to the Memorandum of Understanding³ between the Government of the United States of America and the Government of Colombia relative to the Agricultural Commodities Agreement signed March 14, 1958,² and in particular to Section I concerning the dates by which the Government of Colombia will purchase and complete shipments on the commodities.

I wish to confirm my government's understanding of the agreement reached in conversations which have taken place between the Embassy and the Ministry of Agriculture to the effect that for all the commodities except soybeans and/or cottonseed oils, the purchases will be completed on or before May 31, 1958 and the shipments completed on or before August 31, 1958. The oils will be purchased and shipped on or before the dates stated in Section I of the Memorandum of Understanding.

The extension of the purchase and shipment dates is made in order to facilitate the acquisition of the commodities by the Government of Colombia, to provide for orderly marketing of the imported commodities, and to avoid disruption of internal markets.

I shall appreciate receiving Your Excellency's confirmation of the above understanding.

Accept, Excellency, the renewed assurances of my highest consideration.

John M. CABOT

March 20, 1958

His Excellency Dr. Carlos Sanz de Santamaría
Minister of Foreign Affairs
Bogotá

¹ Came into force on 23 April 1958 by the exchange of the said notes.

² See p. 116 of this volume.

³ See p. 124 of this volume.

II

The Colombian Secretary General to the American Ambassador

[SPANISH TEXT — TEXTE ESPAGNOL]

MINISTERIO DE RELACIONES EXTERIORES

Bogotá, abril 23 de 1958

A/E 1421

Señor Embajador :

Tengo el honor de referirme a la atenta nota de Vuestra Excelencia, de fecha 20 de marzo último, distinguida con el número 176, relacionada con el Memorandum de Acuerdo entre el Gobierno de Colombia y el Gobierno de los Estados Unidos de América, firmado el 14 de marzo de 1958, en desarrollo del Convenio sobre Excedentes Agrícolas de la misma fecha.

Es entendido que el Gobierno de Colombia comprará todos los productos excepto aceites de soya y/o de semilla de algodón el día 31 de mayo de 1958 o antes y completará el despacho el día 31 de agosto de 1958 o antes. Los aceites serán comprados y despachados en las fechas estipuladas en la Sección I del Memorandum de Acuerdo.

Me valgo de la oportunidad para reiterar a Vuestra Excelencia las expresiones de mi más alta y distinguida consideración,

J. MORALES SUÁREZ

A Su Excelencia
el Señor John M. Cabot
Embajador Extraordinario
y Plenipotenciario
de los Estados Unidos
de América
La Ciudad

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN AFFAIRS

Bogotá, April 23, 1958

A/E 1421

Mr. Ambassador :

I have the honor to refer to Your Excellency's courteous note No. 176, of March 20, 1958, concerning the Memorandum of Understanding between the Government of Colombia and the Government of the United States of America, signed on March 14, 1958, in implementation of the Surplus Agricultural Commodities Agreement of the same date.

It is understood that the Government of Colombia will purchase all the products except soybean oil and/or cottonseed oil on or before May 31, 1958 and will complete shipment on or before August 31, 1958. The oil will be purchased and shipped on the dates stipulated in Section I of the Memorandum of Understanding.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

J. MORALES SUÁREZ

His Excellency
John M. Cabot
Ambassador Extraordinary
and Plenipotentiary
of the United States
City of America

¹ Translation by the Government of the United States of America.² Traduction du Gouvernement des États-Unis d'Amérique.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND COLOMBIA RELATING TO THE AGRICULTURAL COMMODITIES AGREEMENT OF 14 MARCH 1958.²
BOGOTÁ, 10 AND 23 APRIL 1958

I

The American Ambassador to the Colombian Minister of Foreign Affairs

Note No. 187

Excellency :

I have the honor to refer to the Memorandum of Understanding³ between the Government of the United States of America and the Government of Colombia relative to the agricultural commodities agreement signed March 14, 1958,² in particular to Section I concerning the dates by which the Government of Colombia will purchase and complete shipments on the commodities, as well as to my Note No. 176 of March 20, 1958,⁴ concerning an extension of these dates.

I wish to confirm my Government's understanding of the agreement reached in conversations which have taken place between the Embassy and the Ministry of Agriculture to the effect that the tobacco will be purchased on or before September 30, 1958, and shipment completed on or before October 31, 1958. All other commodities will be purchased and shipped on or before the dates stated in Section I of the Memorandum of Understanding and in my Note No. 176.

The extension of the purchase and shipment dates for the tobacco is made in order to provide sufficient time for the Government of Colombia to have the tobacco manufactured into cigarettes.

I shall appreciate receiving Your Excellency's confirmation of the above understanding.

Accept, Excellency, the renewed assurances of my highest consideration.

John M. CABOT

April 10, 1958

His Excellency Dr. Carlos Sanz de Santamaría
Minister of Foreign Affairs
Bogotá

¹ Came into force on 23 April 1958 by the exchange of the said notes.

² See p. 116 of this volume.

³ See p. 124 of this volume.

⁴ See p. 131 of this volume.

II

The Colombian Secretary General to the American Ambassador

[SPANISH TEXT — TEXTE ESPAGNOL]

MINISTERIO DE RELACIONES EXTERIORES

Bogotá, abril 23 de 1958

A/E 1422

Señor Embajador :

Tengo el honor de referirme a la muy atenta nota de Vuestra Excelencia, distinguida con el número 187, de fecha 10 de los corrientes, la cual se relaciona con el Memorandum de Acuerdo entre el Gobierno de Colombia y el Gobierno de los Estados Unidos de América, firmado el 14 de marzo de 1958, en desarrollo del Convenio sobre Excedentes Agrícolas de la misma fecha.

Es entendido que el Gobierno de Colombia comprará el tabaco en Septiembre 30 de 1958 o antes y completará el despacho en Octubre 31 de 1958 o antes. Todos los otros productos serán comprados y despachados en las fechas estipuladas en la Sección I del Memorandum de Acuerdo y en la nota de Vuestra Excelencia de fecha 20 de Marzo, distinguida con el número 176.

Me valgo de la oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración,

J. MORALES SUÁREZ

A Su Excelencia
el Señor John M. Cabot
Embajador Extraordinario
y Plenipotenciario
de los Estados Unidos
de América
La Ciudad

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN AFFAIRS

Bogotá, April 23, 1958

A/E 1422

Mr. Ambassador :

I have the honor to refer to Your Excellency's courteous note No. 187, dated the 10th of this month, concerning the Memorandum of Understanding between the Government of Colombia and the Government of the United States of America, signed on March 14, 1958, in implementation of the Surplus Agricultural Commodities Agreement of the same date.

It is understood that the Government of Colombia will purchase the tobacco on or before September 30, 1958 and will complete the shipment on or before October 31, 1958. All the other products will be purchased and shipped on the dates stipulated in Section I of the Memorandum of Understanding and in Your Excellency's note No. 176, dated March 20.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

J. MORALES SUÁREZ

His Excellency
John M. Cabot
Ambassador Extraordinary
and Plenipotentiary
of the United States
of America
City

¹ Translation by the Government of the United States of America.² Traduction du Gouvernement des États-Unis d'Amérique.