

No. 4795

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**UNITED STATES OF AMERICA  
and  
BURMA**

**Exchange of notes constituting an agreement relating to  
the purchase in India of textiles for Burma. Rangoon,  
25 August 1958**

*Official text: English.*

*Registered by the United States of America on 23 June 1959.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
BIRMANIE**

**Échange de notes constituant un accord relatif à l'achat  
dans l'Inde de textiles pour la Birmanie. Rangoon,  
25 août 1958**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 23 juin 1959.*

No. 4795. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND BURMA RELATING TO THE PURCHASE IN INDIA OF TEXTILES FOR BURMA. RANGOON, 25 AUGUST 1958

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I

*The American Ambassador to the Permanent Secretary, Burmese Foreign Office*

AMERICAN EMBASSY  
RANGOON, BURMA

No. 214

August 25, 1958

Sir :

I have the honor to refer to the recent conversations between representatives of our two Governments concerning the desire of the Government of the Union of Burma to acquire urgently needed additional imports of textiles and the means by which the Government of the United States might be of assistance in this respect. I am pleased to inform you that my Government has authorized me to propose that the two Governments agree upon the following terms and conditions under which the Government of the United States will provide currency of India which the Government of the United States now owns to enable the Government of the Union of Burma to purchase textiles in India.

1. The Government of the United States will authorize for use by the Government of the Union of Burma to finance procurement in India of Indian textiles for Burma the equivalent of up to \$5 million in Indian Rupees, generated under the Agricultural Commodities Agreement of August 29, 1956<sup>2</sup> between the United States of America and the Government of India under Title I of the Agricultural Trade Development and Assistance Act, as amended.

2. The Government of the Union of Burma will, upon receipt of notices of disbursements of aforesaid Indian Rupees by the Government of the United States, deposit in an account in the name of the Government of the United States an amount of Burmese Kyats equivalent to the value of Indian Rupees disbursed.

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<sup>1</sup> Came into force on 25 August 1958 by the exchange of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 278, p. 25, and Vol. 304, p. 390.

3. For purposes of computing Kyat payments to be made by the Government of the Union of Burma to the Government of the United States, the amount of Indian Rupees disbursed by the Government of the United States pursuant to the provisions of Paragraph 2 hereof shall be converted into Kyats at the rate at which Rupees could be purchased with Kyats in Burma by Burmese importers through an official foreign exchange agency for similar commercial transactions on the last date of the disbursement period covered by the International Cooperation Administration notification.

4. The Government of the Union of Burma agrees that the Burmese Kyats paid to the Government of the United States hereunder may be used by the Government of the United States in the Union of Burma. The Kyats may also be converted into other currencies as may be mutually agreed upon from time to time by the Government of the Union of Burma and the Government of the United States. The United States agrees to take into consideration the economic position of Burma in connection with any contemplated use of the currency of Burma paid to the United States hereunder.

5. The Government of the Union of Burma agrees that unexpended balances of Burmese Kyats received by the Government of the United States hereunder shall be eligible to be invested in interest-earning obligations or deposits denominated in Burmese Kyats. At any time or from time to time the Government of the Union of Burma may purchase for United States Dollars all or any part of the unexpended portion of Burmese Kyats received hereunder and not otherwise committed by the Government of the United States at a rate of exchange then mutually agreed upon.

6. The Government of the Union of Burma agrees that the purchases of textiles hereunder shall be additive to Burma's normal purchases from free world suppliers. As requested by the Government of India, the Government of the Union of Burma will also furnish assurances to the Government of India that textiles purchased hereunder will be additive to normal purchases from India.

7. It is agreed that procedural arrangements to carry out this agreement will be established by agreement between the Government of the Union of Burma or its designated agency and the International Cooperation Administration of the Government of the United States.

I have the honor to propose that, if these terms and conditions meet with the approval of the Government of the Union of Burma, the present note and your note in reply will be considered as constituting an agreement between our two Governments which will enter into force on the date of the receipt of your note of reply.

Accept, Sir, the renewed assurances of my high consideration.

Walter P. McCONAUGHY

Maha Thray Sithu Mr. James Barrington  
Permanent Secretary  
Foreign Office  
Rangoon

## II

*The Permanent Secretary, Burmese Foreign Office, to the American Ambassador*

FOREIGN OFFICE  
RANGOON

No. A 149/Nya.

25th August 1958

Excellency,

I have the honour to acknowledge the receipt of your Note of to-day's date which reads as follows :

[See note I]

I have the honour to inform you that the terms and conditions set out in your above Note meet with the approval of the Government of the Union of Burma and that your Note, together with this reply should be considered as constituting an agreement between the two governments which will enter into force on this day's date.

Please accept, Excellency, the renewed assurances of my highest consideration.

J. BARRINGTON  
Permanent Secretary

His Excellency Mr. Walter P. McConaughy  
Ambassador Extraordinary and Plenipotentiary  
of the United States of America  
Rangoon

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