

No. 5748

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UNITED STATES OF AMERICA  
and  
GREECE

Agricultural Commodities Agreement under Title I of the Agricultural Trade Development and Assistance Act, as amended (with related notes). Signed at Athens, on 7 November 1960

*Official text: English.*

*Registered by the United States of America on 7 July 1961.*

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ÉTATS-UNIS D'AMÉRIQUE  
et  
GRÈCE

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 notes connexes). Signé à Athènes, le 7 novembre 1960

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 7 juillet 1961.*

No. 5748. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED STATES  
OF AMERICA AND THE GOVERNMENT OF GREECE  
UNDER TITLE I OF THE AGRICULTURAL TRADE  
DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED.  
SIGNED AT ATHENS, ON 7 NOVEMBER 1960

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

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 in these commodities, or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries ;

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

Considering that the drachmae accruing from such purchase 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 Greece pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the 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 GREEK DRACHMAE**

Subject to the availability of commodities for programming under the Act and to issuance by the Government of the United States of America and acceptance by the Government of Greece of purchase authorizations, the Government of the United

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<sup>1</sup> Came into force on 7 November 1960, upon signature, in accordance with article VI.

States of America undertakes to finance the sale to purchasers authorized by the Government of Greece, for Greek drachmae, of the following agricultural commodities determined to be surplus pursuant to the Act, in the amounts indicated :

Commodity	Export market value (million)
Feedgrains . . . . .	\$5. 3
Wheat and/or wheat flour . . . . .	2. 5
Cottonseed and/or soybean oil . . . . .	4. 4
Ocean transportation (estimated) . . . . .	1. 5
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	TOTAL      \$13. 7

Applications for purchase authorizations will be made not later than 90 calendar days after the effective date of this Agreement. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the drachmae accruing from such sale, and other relevant matters.

## Article II

### USES OF GREEK DRACHMAE

1. The two Governments agree that the Greek drachmae accruing to the Government of the United States of America as a consequence of 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. For United States expenditures under subsections (a), (b), (c), (f), and (h) through (r) of Section 104 of the Act, or under any such subsections, the drachmae equivalent of \$4.8 million.

B. For loans to be made by the Export-Import Bank of Washington under Section 104 (e) of the Act and for administrative expenses of the Export-Import Bank of Washington in Greece incident thereto, the drachmae equivalent of \$2.1 million but not more than 25 percent of the currencies received under the Agreement. It is understood that :

- (1) Such loans under Section 104 (e) of the Act will be made to United States business firms and branches, subsidiaries, or affiliates of such firms in Greece for business development and trade expansion in Greece, and to United States firms and Greek 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.

- (2) Loans will be mutually agreeable to the Export-Import Bank of Washington and the Government of Greece, acting through the Ministry of Economic Coordination. The Minister, or his designate, will act for the Government of Greece, and the President of the Export-Import Bank of Washington, or his designate, will act for the Export-Import Bank of Washington.
- (3) Upon receipt of an application which the Export-Import Bank is prepared to consider, the Export-Import Bank will inform the Ministry of Economic Coordination of the identity of the applicant, the nature of the proposed business, the amount of the proposed loan, and the general purposes for which the loan proceeds would be expended.
- (4) When the Export-Import Bank is prepared to act favorably upon an application, it will so notify the Ministry of Economic Coordination and will indicate the interest rate and the repayment period which would be used under the proposed loan. The interest rate will be similar to those prevailing in Greece on comparable loans, and the maturities will be consistent with the purposes of the financing.
- (5) Within sixty days after the receipt of the notice that the Export-Import Bank is prepared to act favorably upon an application, the Ministry of Economic Coordination will indicate to the Export-Import Bank whether or not the Ministry has any objection to the proposed loan. Unless within the sixty-day period the Export-Import Bank has received such a communication from the Ministry of Economic Coordination, it shall be understood that the Ministry has no objection to the proposed loan. When the Export-Import Bank approves or declines the proposed loan, it will notify the Ministry of Economic Coordination.
- (6) In the event the drachmae set aside for loans under Section 104 (e) of the Act are not advanced within three years from the date of this Agreement because the Export-Import Bank of Washington has not approved loans or because proposed loans have not been mutually agreeable to the Export-Import Bank of Washington and the Ministry, the Government of the United States of America may use the drachmae for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of Greece under Section 104 (g) of the Act, the drachmae equivalent of not more than \$6.8 million, for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of Greece, as may be mutually agreed. The terms and conditions of the loan and other provisions will be set forth in a separate loan agreement. In the event that agreement is not reached on the use of the drachmae for loan purposes within three years from the date of this Agreement, the Government of the United States of America may use the drachmae for any purpose authorized by Section 104 of the Act.

2. In the event the total of Greek drachmae accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement

is less than the drachmae equivalent of \$13.7 million, the amount available for a loan to the Government of Greece under Section 104 (g) will be reduced by the amount of such difference ; in the event the total drachmae deposit exceeds the equivalent of \$13.7 million, 50 percent of the excess will be available for a loan under Section 104 (g), 15 percent for loans under Section 104 (e), and 35 percent for any use or uses authorized by Section 104 as the Government of the United States of America may determine.

*Article III***DEPOSIT OF GREEK DRACHMAE**

The deposit of Greek drachmae 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 United States banks, or by the Government of the United States of America, as provided in the purchase authorizations.

*Article IV***GENERAL UNDERTAKINGS**

1. The Government of Greece 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 precautions to assure that all sales or purchases of agricultural commodities made pursuant to this Agreement will not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries.

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 Greece 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 arrival 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 at Athens in duplicate this seventh day of November, 1960.

For the Government  
of the United States of America :

Ellis O. BRIGGS  
American Ambassador

For the Government  
of Greece :

A. PROTOPAPADAKIS  
Minister of Coordination

RELATED NOTES

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*The Greek Minister of Coordination to the American Ambassador*

MINISTRY OF COORDINATION  
THE MINISTER

Athens, November 7, 1960

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement signed today<sup>1</sup> between representatives of our two Governments under which the Government of the United States of America undertakes to finance the delivery to Greece of

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<sup>1</sup> See p. 58 of this volume.

\$13.7 million of feedgrains, wheat and/or wheat flour, and cottonseed and/or soybean oil, and to inform you of the following :

(1) In expressing its agreement with the Government of the United States of America that the above-mentioned deliveries should not unduly disrupt world prices of agricultural commodities, displace usual marketings of the United States of America in these commodities, or impair trade relations among friendly nations, my Government agrees that during the fiscal year ending June 30, 1961 it will procure and import from the United States at least 10,000 metric tons of feedgrains in addition to the approximately 100,000 metric tons of feedgrains to be imported under the terms of the cited Agreement. Furthermore, it is understood that the Government of Greece will refrain from exporting feedgrains, or corn starch and any other products derived from corn, while it is importing and utilizing Title I feedgrains.

(2) With regard to wheat and flour, it is understood that the delivery of these commodities under the cited Agreement is not intended to increase the availability of these or like commodities for export and is made on the condition that no wheat, wheat flour, or products thereof will be exported from Greece until after the wheat and wheat flour have been imported and utilized, or until December 31, 1961, whichever is later. It is further understood that exports of semolina and products may be made from Greece in this period up to a total of 100 metric tons if derived entirely from imported durum wheat and destined only to nearby countries friendly to the United States of America.

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

A. PROTOPAPADAKIS

His Excellency Ellis O. Briggs  
Ambassador of the United States of America  
Athens

## II

*The Greek Minister of Coordination to the American Ambassador*

MINISTRY OF COORDINATION  
THE MINISTER

Athens, November 7, 1960

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement signed today between the Government of Greece and the Government of the United States of America, and to confirm my Government's understanding of the agreement reached

in conversations which have taken place between representatives of the Government of Greece and the American Embassy with respect to the use by the Government of the United States of America of Greek drachmae accruing under the subject Agreement, as follows :

(1) For the purposes of Sections 104 (a) and 104 (h) of the Agricultural Trade Development and Assistance Act, as amended, the Government of Greece will provide, upon request of the Government of the United States of America, facilities for the conversion into other non-dollar currencies of up to \$575,000 worth of Greek drachmae. These facilities for conversion will be utilized in securing up to \$275,000 in funds to finance agricultural market development activities in other countries and up to \$300,000 in funds to finance educational exchange programs in other countries.

(2) The Government of the United States of America may utilize Greek drachmae in Greece to pay for international travel originating in Greece, or originating outside Greece when involving travel to or through Greece, including connecting travel, and for air travel within the United States or other areas outside Greece when it is part of a trip in which the traveler journeys from, to or through Greece. It is understood that these funds are intended to cover only travel by persons engaged in activities financed under Section 104 of the Agricultural Trade Development and Assistance Act, as amended. It is further understood that this travel is not limited to services provided by Greek airlines.

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

A. PROTOPAPADAKIS

His Excellency Ellis O. Briggs  
Ambassador of the United States of America  
Athens

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