

No. 6227

**UNITED STATES OF AMERICA
and
BOLIVIA**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at La Paz,
on 7 April 1961**

Official texts: English and Spanish.

Registered by the United States of America on 11 July 1962.

**ÉTATS-UNIS D'AMÉRIQUE
et
BOLIVIE**

**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
échange de notes). Signé à La Paz, le 7 avril 1961**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 11 juillet 1962.

No. 6227. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BOLIVIA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT LA PAZ, ON 7 APRIL 1961

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

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

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

Considering that the bolivianos 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 the Government of Bolivia 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 BOLIVIANOS

1. 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 Bolivia of purchase authorizations, the Government of the United States of America undertakes to finance the sales for bolivianos to purchasers authorized by the Government of Bolivia of the following agricultural commodity determined to be surplus pursuant to the Act, in the amount indicated :

¹ Came into force on 7 April 1961 upon signature, in accordance with article VI.

<i>Commodity</i>	<i>Export Market Value (Million)</i>
Wheat flour	\$3.0
Ocean transportation (estimated)	<u>.3</u>
TOTAL	\$3.3

2. Applications for purchase authorizations will be made within 90 calendar days after the effective date of this Agreement, except that applications for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment or supplement to this Agreement will be made within 90 days after the effective date of such amendment or supplement. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the bolivianos accruing from such sale, and other relevant matters.

3. It is understood that the sale of wheat flour under this agreement is not intended to increase the availability of this or like commodities for export and is made on the condition that no export of such commodities will be made from Bolivia during the period that the wheat flour is being imported and utilized.

Article II

USES OF BOLIVIANOS

1. The two Governments agree that the bolivianos 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 subsection (a), (b), (c), (d), (f), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q) and (r) of Section 104 of the Act, or under any of such subsections, the boliviano deposit equivalent of 25 per cent of the total.
- (b) For a loan of the Government of Bolivia under subsection (g) of Section 104 of the Act, the boliviano deposit equivalent of 75 per cent of the total for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of Bolivia, as may be mutually agreed. In the event that agreement is not reached on the use of the bolivianos for loan purposes within three years from the date of this Agreement, the Gov-

ernment of the United States of America may use the local currency for any purposes authorized by Section 104 of the Act.

Article III

DEPOSIT OF BOLIVIANOS

The deposit of bolivianos 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 date 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 Bolivia 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 surplus agricultural commodities pursuant to the 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 Bolivia 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 the arrival and condition of commodities and the provi-

sions 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

The 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 La Paz in duplicate this seventh day of April 1961.

For the Government
of the United States of America :

Carl W. STROM
[SEAL]

For the Government
of Bolivia :

E. ARZE Q.
[SEAL]

EXCHANGE OF NOTES

I

The American Ambassador to the Bolivian Minister of Foreign Affairs and Worship

EMBASSY OF THE UNITED STATES OF AMERICA

La Paz, April 7, 1961

No. 228

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 Bolivia signed today.¹

I wish to confirm my Government's understanding of the agreement reached in conversations which have taken place between representatives of this Embassy and of the Government of Bolivia with respect to the use of bolivianos accruing under the subject Agreement for agricultural market development purposes by the Government of the United States of America under Section 104 (a) of the Agricultural Trade Development and Assistance Act, as amended.

It is understood that the Government of Bolivia will provide facilities for the conversion into other currencies of up to \$66,000 worth of the bolivianos reserved by Article II, paragraph 1 (a) of the subject Agreement for United States expenditures. These facilities for conversion are needed for the purpose of securing funds to finance agricultural market development activities of the Government of the United States in other countries.

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

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

Carl W. STROM

His Excellency Dr. Eduardo Arze Quiroga
Minister of Foreign Affairs and Worship
La Paz

¹ See p. 4 of this volume.

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF BOLIVIA
MINISTRY OF FOREIGN AFFAIRS AND WORSHIP

La Paz, April 7, 1961

Mr. Ambassador :

I have the honor to refer to Your Excellency's note concerning the Agricultural Commodities Agreement signed today, which note reads as follows :

[*See note I*]

In this respect I have the honor to inform Your Excellency that the Government of Bolivia concurs with the understanding of Your Excellency's Government in relation to the agreements mentioned in the aforesaid note.

I renew to Your Excellency the assurances of my most distinguished consideration.

E. ARZE Q.

His Excellency Carl Strom
Ambassador Extraordinary and Plenipotentiary
of the United States of America
La Paz

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