

No. 6271

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**UNITED STATES OF AMERICA  
and  
SYRIA**

**Agricultural Commodities Agreement under Title I of the  
Agricultural Trade Development and Assistance Act, as  
amended (with exchange of notes). Signed at  
Damascus, on 9 November 1961**

*Official texts: English and Arabic.*

*Registered by the United States of America on 2 August 1962.*

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

**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 Damas, le 9 novembre 1961**

*Textes officiels anglais et arabe.*

*Enregistré par les États-Unis d'Amérique le 2 août 1962.*

No. 6271. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED  
STATES OF AMERICA AND THE GOVERNMENT OF  
THE SYRIAN ARAB REPUBLIC UNDER TITLE I OF THE  
AGRICULTURAL TRADE DEVELOPMENT AND ASSIST-  
ANCE ACT, AS AMENDED. SIGNED AT DAMASCUS,  
ON 9 NOVEMBER 1961

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The Government of the United States of America and the Government of the Syrian Arab Republic;

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 or normal patterns of commercial trade with friendly countries;

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

Considering that the Syrian pounds 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 agricultural commodities to the Syrian Arab Republic 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 SYRIAN POUNDS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Syrian Arab Republic of purchase authorizations and to the availability of commodities under the Act at the time of exportation, the Government of the United States of America undertakes to finance the sales for Syrian pounds to purchasers authorized by the Government of the Syrian Arab Republic, of the following agricultural commodities in the amounts indicated :

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<sup>1</sup> Came into force on 9 November 1961, upon signature, in accordance with article VII.

<i>Commodity</i>	<i>Export Market Value (Millions)</i>
Wheat and/or wheat flour . . . . .	\$6.3
Rice . . . . .	1.5
Ocean transportation (estimated) . . . . .	1.0
	TOTAL \$8.8

2. Applications for purchase authorizations will be made within 90 calendar days of 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 to this Agreement will be made within 90 days after the effective date of such amendment. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the Syrian pounds accruing from such sale, and other relevant matters.

3. Purchase and shipment of the commodities mentioned above will be made within 18 calendar months of the effective date of this Agreement.

4. The financing, sale and delivery of commodities under this Agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

## *Article II*

### USES OF SYRIAN POUNDS

The Syrian pounds 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), (f) and (h) through (s) of Section 104 of the Act, or under any of such subsections, twenty percent of the Syrian pounds accruing pursuant to this Agreement.

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 Syria incident thereto, fifteen percent of the Syrian pounds accruing pursuant to this 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 Syria for business development and trade expansion in Syria, and to United States firms and Syrian 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 the Syrian Arab Republic, acting through the Central Bank of Syria. The Governor of the Central Bank of Syria, or his designate, will act for the Government of the Syrian Arab Republic, 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 Central Bank of Syria of the identity of the applicant, the nature of the proposed business, the amount of the proposed loan, and the general purposes of 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 Central Bank of Syria 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 that prevailing in the Syrian Arab Republic 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 Central Bank of Syria will indicate to the Export-Import Bank whether or not the Central Bank of Syria has any objection to the proposed loan. Unless within the sixty-day period the Export-Import Bank has received such a communication from the Central Bank of Syria, it shall be understood that the Central Bank of Syria has no objection to the proposed loan. When the Export-Import Bank approves or declines the proposed loan, it will notify the Central Bank of Syria.
- (6) In the event the Syrian pounds 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 Central Bank of Syria, the Government of the United States of America may use the Syrian pounds for any purpose authorized by Section 104 of the Act.

C. For a loan to the Government of Syria under Section 104 (g) of the Act for financing such projects to promote economic development, including projects not heretofore included in plans of the Government of the Syrian Arab Republic, as may be mutually agreed, sixty-five percent of the Syrian pounds accruing pursuant to this Agreement. 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 Syrian pounds for loan purposes within three years from the date of this Agreement, the Government of the United States of America may use the pounds for any purposes authorized by Section 104 of the Act.

*Article III*

## DEPOSIT OF SYRIAN POUNDS

1. The amount of Syrian pounds to be deposited to the account of the Government of the United States of America shall be the equivalent of the dollar sales value of the commodities and ocean transportation costs reimbursed or financed by the Government of the United States of America (except excess costs resulting from the requirement that United States flag vessels be used) converted into Syrian pounds, as follows;

- (a) at the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursements by the United States, provided that a unitary exchange rate applying to all foreign exchange transactions is maintained by the Government of the Syrian Arab Republic, or
- (b) if more than one legal rate for foreign exchange transactions exists, at a rate of exchange to be mutually agreed upon from time to time between the Government of the United States of America and the Government of the Syrian Arab Republic.

2. In the event that a subsequent Agricultural Commodities Agreement or Agreements should be signed by the two Governments under the Act, any refunds of Syrian pounds which may be due or become due under this Agreement more than two years from the effective date of this Agreement would be made by the Government of the United States of America from funds available from the most recent Agricultural Commodities Agreement in effect at the time of the refund.

*Article IV*

## GENERAL UNDERTAKINGS

1. The Government of the Syrian Arab Republic 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 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 will take reasonable precautions to assure that all sales or purchases of agricultural commodities 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 the Syrian Arab Republic will 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 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 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*

INTERPRETATION

In case of difference of interpretation, the English text shall prevail.

*Article VII*

ENTRY IN TO 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 Damascus in duplicate this 9th day of November, 1961.

For the Government  
of the United States of America :  
Ridgway B. KNIGHT

For the Government  
of the Syrian Arab Republic :  
B. TU'MAH

## EXCHANGE OF NOTES

## I

*The American Chargé d'Affaires to the Secretary General, Ministry of Supply of the Syrian Arab Republic*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

Damascus, November 9, 1961

Sir :

I have the honor to refer to the Agricultural Commodities Agreement signed today<sup>1</sup> between the Government of the United States of America and the Government of the Syrian Arab Republic. In connection therewith the understanding of the Government of the United States of America is as follows :

(1) The Government of the Syrian Arab Republic agrees that it will refrain from exporting any wheat before the end of July 1962 except up to a maximum of 70,000 metric tons of durum wheat. Such exports will be offset within the same period by commercial imports of wheat in an equivalent tonnage from the United States of America and countries friendly to it.

(2) Upon request of the Government of the United States of America, the Government of the Syrian Arab Republic will provide facilities for conversion of two percent of the Syrian pounds accruing from sales under the Agreement into other currencies for purposes of Section 104 (a) of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act), and of the Syrian pound equivalent of up to \$50,000 for purposes of Section 104 (h) of the Act. These currencies will be used in the case of Section 104 (a) to finance agricultural market development activities in other countries and in the case of Section 104 (h) to finance educational exchange activities in other countries.

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

<sup>1</sup> See p. 16 of this volume.

I shall appreciate receiving your confirmation of the above understanding.  
Accept, Sir, the renewed assurances of my high consideration.

Ridgway B. KNIGHT

Mr. Bashir Tu'mah  
Secretary General  
Ministry of Supply

السورية او الناشئة خارج الجمهورية العربية السورية اذا كانت تشمل السفر الى  
او عبر الجمهورية العربية السورية بما في ذلك السفر الاتصالي والسفر الجوي  
ضمن الولايات المتحدة او المناطق الاخرى خارج الجمهورية العربية السورية  
اذا كانت جزءاً من رحلة يقوم المسافر فيها بالانطلاق من او عبر الجمهورية  
العربية السورية ، ومن المفهوم ان هذه الاموال قصد منها ان تغطي  
فقط رحلات الاشخاص الموكلة اليهم اوجه نشاط تمويل بموجب الفقرة ١٠٤ / من  
هذا القانون .

ومن المفهوم ايضا ان هذا السفر ليس مقصودا على الخدمات التي

تهيؤها الخطوط الجوية السورية .

وسأقدر لكم صنيعكم اذا تكرتم لارسال تثبيتكم للمفهوم الانف الذكر .

وتقبلوا سيادتكم تأكيدى المحدد لاسى اعتباراتى . "

واتشرف بان أؤيد نيابة عن حكومتى المفهوم السوارد فى كتابكم

سالف الذكر .

وتفضلوا سيادتكم بقبول فائق احترامى .

دمشق فى ١١ / ١١ / ١٩٦١ هـ /

رئيس الوفد  
الامين العام  
الدكتور بشير طعممة





## II

The Secretary General, Ministry of Supply of the Syrian Arab Republic to the  
American Chargé d'Affaires

[ARABIC TEXT — TEXTE ARABE]

الجمهورية العربية السورية

وزارة التموين

سيادة القائم بالأعمال لسفارة الولايات المتحدة الأمريكية

- تشرف بأن انهي الى سيادتكم استلام كتابكم بتاريخ اليوم ونصه كالآتي :
- لي الشرف ان اشير الى اتفاقية السلع الزراعية الموقعة هذا اليوم بين حكومة الولايات المتحدة وحكومة الجمهورية العربية السورية ، وفيما يتعلق بذلك فان مفهوم حكومة الولايات المتحدة الأمريكية هو كما يلي :
- ١- توافق حكومة الجمهورية العربية السورية على الامتناع عن تصدير كمية من القمح قبل نهاية تموز ١٩٦٢ فيما عدا حد اعلى مقداره ٧٠ / سبعون الف طن متري من قمح دوروم . ومثل هذه الصادرات ستجرى موازنتها في خلال نفس الفترة عن طريق استيرادات تجارية من القمح بكمية مماثلة من الولايات المتحدة الأمريكية والاتظار الصديقة لها .
  - ٢- تقوم حكومة الجمهورية العربية السورية لدى طلب من حكومة الولايات المتحدة الأمريكية بتقديم التسهيلات لتحويل مبلغ ٦ / ١٠٤ / من الليرات السورية الناشئة عن المبيعات بموجب هذه الاتفاقية الى عملات اخرى لاغراض الفقسرة / ١٠٤ / ( أ ) من قانون تنمية التجارة الزراعية وقانون المساعدة المعدل ( المشار اليه فيما بعد بكلمة قانون ) وليرات سورية تعادل مبلغا يصـل الى خمسين الف دولار لاغراض القسم / ١٠٤ / ( ح ) من القانون وهذه — العملات ستستخدم فيما يختص في القسم / ١٠٤ / ( أ ) لتحويل اوجه نشاط تنمية السوق الزراعية في الاقطار الاخرى وفيما يختص بالقسم / ١٠٤ / ( ح ) — لتمويل نشاط التبادل العلمي في الاقطار الاخرى .
  - ٣- يمكن لحكومة الولايات المتحدة الأمريكية ان تستخدم الليرات السورية في الجمهورية العربية السورية لسد نفقات الاسفار الدولية الناشئة في الجمهورية العربية السورية

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

SYRIAN ARAB REPUBLIC  
MINISTRY OF SUPPLY

His Excellency, Chargé d'Affaires of the Embassy  
of the United States of America

I have the honor to inform Your Excellency of the receipt of your note of today's date, which reads as follows :

[*See note I*]

I have the honor to confirm, in the name of my Government, the understanding stated in your aforementioned note.

Accept, Sir, the assurances of my high consideration.

B. TU'MAH  
Secretary General  
Head of Delegation

Damascus, November 9, 1961

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<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.