

No. 6390

**UNITED STATES OF AMERICA
and
LIBERIA**

**Agricultural Commodities Agreement under Title IV of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at Mon-
rovia, on 12 April 1962**

Official texts: English.

Registered by the United States of America on 28 November 1962.

**ÉTATS-UNIS D'AMÉRIQUE
et
LIBÉRIA**

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre IV de la loi tendant à développer et à favoriser
le commerce agricole, telle qu'elle a été modifiée (avec
échange de notes). Signé à Monrovia, le 12 avril 1962**

Textes officiels anglais.

Enregistré par les États-Unis d'Amérique le 28 novembre 1962.

No. 6390. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE RE-
PUBLIC OF LIBERIA UNDER TITLE IV OF THE AGRI-
CULTURAL TRADE DEVELOPMENT AND ASSISTANCE
ACT, AS AMENDED. SIGNED AT MONROVIA, ON
12 APRIL 1962

The Government of the United States of America and the Government of Liberia ;

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would utilize surplus agricultural commodities, including the products thereof, produced in the United States of America to assist economic development in Liberia ;

Recognizing that such expanded trade should be carried on in a manner which would not displace cash 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,

Recognizing further that by providing such commodities to Liberia under long-term supply and credit arrangements, the resources and manpower of Liberia can be utilized more effectively for economic development without jeopardizing meanwhile adequate supplies of agricultural commodities for domestic use ;

Desiring to set forth the understandings which will govern the sales, as specified below, of commodities to Liberia pursuant to Title IV of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act) ;

Have agreed as follows :

Article I

COMMODITY SALES PROVISIONS .

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Liberia of credit purchase authorizations and to

¹ Came into force on 12 April 1962, upon signature, in accordance with article V.

the availability of commodities under the Act at the time of exportation, the Government of the United States of America undertakes to finance, during the calendar years 1962-1964 inclusive, sales for United States dollars, to purchasers authorized by the Government of Liberia, of the following commodities :

<i>Commodity</i>	<i>Three-Year Appropriate Maximum Quantity (Metric tons)</i>	<i>Three-Year Export Market Value to be Financed (Thousands)</i>
Wheat Flour and/or Bulgur Wheat .	6,000	\$552
Milled Rice	45,000	6,450
Mixed Livestock Feeds	9,000	810
Ocean Transportation (estimated) .		828
TOTAL		\$8,640

<i>Commodity</i>	<i>Appropriate Maximum Quantities in CY 1962 (Metric tons)</i>	<i>Export Market Value to be Financed in CY 1962 (Thousands)</i>
Wheat Flour and/or Bulgur Wheat .	1,000	\$92
Milled Rice	10,000	1,433
Mixed Livestock Feeds	2,000	180
Ocean Transportation (estimated) .		180
TOTAL		\$1,885

The total amount of financing provided in the credit purchase authorizations shall not exceed the above-specified total export market value to be financed, except that additional financing for ocean transportation will be provided if the estimated amount for financing shipments required to be made on United States flag vessels proves to be insufficient. It is understood that the Government of the United States will, as price declines or other marketing factors may require, limit the amount of financing provided in the credit purchase authorizations so that the quantities of commodities financed will not substantially exceed the above specified approximate maximum quantities.

2. With respect to the above commodities the two Governments will review, annually, supply and requirement factors and related matters, including normal patterns of trade with countries friendly to the United States of America, and agree upon any necessary adjustments of the composition and the approximate maximum quantities of the commodities, specified in paragraph 1 of this Article, to be supplied and export market value to be financed for any subsequent period.

3. Credit purchase authorizations will include provisions relating to the sale and delivery of commodities and other relevant matters.

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

Article II

CREDIT PROVISIONS

1. The Government of Liberia will pay, or cause to be paid, in United States dollars to the Government of the United States of America for the commodities specified in Article I and related ocean transportation (except excess ocean transportation costs resulting from the requirement that United States flag vessels be used) the amount financed by the Government of the United States of America together with interest thereon.

2. The principal amount due for commodities delivered in each calendar year under this Agreement, including the applicable ocean transportation costs related to such deliveries, shall be paid in fifteen approximately equal annual payments. The first annual payment for commodities delivered in any calendar year shall become due on December 31 following the calendar year in which such deliveries were made. Subsequent annual payments shall become due at intervals of one year thereafter. Any annual payment may be made prior the due date thereof.

3. Interest on the unpaid balance of the principal amount due the Government of the United States of America for commodities delivered in each calendar year shall be computed at the rate of 4 per centum per annum and shall begin on the date of the last delivery of commodities in such calendar year. Interest on each such unpaid balance shall be paid annually not later than the date on which the annual payment of principal becomes due.

4. All payments shall be made in United States dollars, and the Government of Liberia will deposit, or cause to be deposited, such payments in the United States Treasury unless another depository is agreed upon by the two Governments.

5. The two Governments will each establish appropriate procedures to facilitate the reconciliation of their respective records of the amounts financed with respect to the commodities delivered during each calendar year.

6. For the purpose of determining the date of the last delivery of commodities for each calendar year, delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed by or on behalf of the carrier.

Article III

GENERAL PROVISIONS

1. The Government of Liberia will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic consumption of the commodities purchased pursuant to the provisions of this Agreement.

2. The two Governments will take reasonable precautions to assure that sales or purchases of commodities pursuant to the Agreement will not displace cash marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade of countries friendly to the United States of America.

3. In carrying out the provisions of this Agreement, the two Governments will seek to assure, to the extent practicable, conditions of commerce permitting private traders to function effectively and will use their best endeavors to develop and extend continuous market demand for agricultural commodities.

4. The Government of Liberia will furnish, upon request of the Government of the United States of America, information on the progress of program, including the arrival and condition of commodities, imports of commodities which may be required under this Agreement to be purchased from the United States of America or countries friendly to the United States of America in addition to commodities financed under this Agreement, and any exports of the same or like commodities.

Article IV

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 entered into pursuant to this Agreement.

Article V

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 in duplicate at Monrovia, Liberia, this twelfth day of April, 1962.

For the Government
of the United States of America :
Elbert G. MATHEWS

For the Government
of the Republic of Liberia :
Stephen TOLBERT
[SEAL]

EXCHANGE OF NOTES

I

The American Ambassador to the Liberian Acting Secretary of State

Monrovia, April 12, 1962

No. 12

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 the Republic of Liberia signed today.¹

I wish to confirm my Government's understanding, based on conversations which have taken place between representatives of our two Governments, with respect to the use by the Government of the Republic of Liberia of dollars resulting from the sale of commodities financed under the Agreement. It is understood that these dollars will be used for the development and expansion of livestock and poultry production, processing and distribution, including feed processing, storage and other supporting facilities and services related thereto, and for such other economic development programs as may be agreed upon by both Governments.

It is also my Government's understanding that the Government of the Republic of Liberia, in concurring that the delivery of commodities pursuant to the cited Agreement should not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries, agrees that during each of the calendar years 1962-64 inclusive Liberia will import commercially from free world sources, including the United States of America, at least 3,000 metric tons of wheat or wheat flour in wheat equivalent, 30,000 metric tons of milled rice, including at least 25,000 metric tons from the United States of America, and 2,000 metric tons of mixed livestock feeds from the United States of America.

It is further my Governments understanding that all rice purchased under the subject agreement will be consumed within Liberia and will not be used in any way to permit the export of Liberian or other rice during the period in which rice purchased under the Agreement is being imported and utilized. It is also understood that in the event a rice mill is constructed in the Free Port of Monrovia for the purpose of milling rough rice obtained from sources other than Liberian production, any rough rice so obtained shall not be counted as part of the above specified commercial purchases required for import into Liberia in addition to the quantities to be purchased under the Agreement.

¹ Sec p. 214 of this volume.

I shall appreciate receiving your confirmation that the foregoing also represents the understanding of the Government of the Republic of Liberia.

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

Elbert G. MATHEWS

His Excellency Wilmot A. David
The Acting Secretary of State of the Republic of Liberia
Monrovia

II

The Liberian Acting Secretary of State to the American Ambassador

DEPARTMENT OF STATE

Monrovia, Liberia April 12, 1962

5264/DF

Mr. Ambassador :

I have the honour to acknowledge receipt of your Note No. 12 of 12th April, 1962, which reads as follows :

[See note I]

The Liberian Government also accepts the proposal that your note and this reply shall constitute a supplementary agreement between the Government of the United States of America and the Liberian Government and that the Agreement enters into force on the date of this letter.

Please accept, Mr. Ambassador, the assurance of my high consideration and esteem.

Wilmot A. DAVID
Acting Secretary of State

His Excellency Elbert G. MATHEWS
Ambassador Extraordinary & Plenipotentiary
Embassy of the United States of America
Mamba Point—Monrovia