

No. 6649

**UNITED STATES OF AMERICA
and
TUNISIA**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act, as
amended (with exchange of notes). Signed at Tunis,
on 14 September 1962**

Official texts: English and French.

Registered by the United States of America on 22 April 1963.

**ÉTATS-UNIS D'AMÉRIQUE
et
TUNISIE**

**Accord sur la fourniture de produits agricoles conclu en
vertu du titre I de la loi sur le développement des
échanges commerciaux et de l'aide en produits agrico-
les telle qu'elle est modifiée (avec échange de notes).
Signé à Tunis, le 14 septembre 1962**

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 22 avril 1963.

No. 6649. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF TUNISIA
UNDER TITLE I OF THE AGRICULTURAL TRADE
DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED.
SIGNED AT TUNIS, ON 14 SEPTEMBER 1962

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

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 Tunisian dinars of agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade ;

Considering that the Tunisian dinars 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 Tunisia 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 TUNISIAN DINARS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Tunisia 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 dinars, to pur-

¹ Came into force on 14 September 1962, upon signature, in accordance with article VI.

chasers authorized by the Government of Tunisia, of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Export Market Value (millions)</i>
Bread wheat	\$6.2
Edible vegetable oil	4.8
Ocean transportation (estimated 50 percent)	1.6
	TOTAL \$12.6

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 of 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 dinars accruing from such sales, 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 considers that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

Article II

USES OF TUNISIAN DINARS

The dinars accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement will be used in the following manner :

- a.* For United States expenditures under subsections (*a*), (*b*), (*d*), (*f*), and (*h*) through (*s*) of Section 104 of the Act or under any of such subsections, 10 percent of the dinars accruing pursuant to this Agreement.
- b.* For loans to be made by the Agency for International Development of Washington (hereinafter referred to as AID) under subsection 104 (*e*) of the Act and for administrative expenses of AID in Tunisia incident thereto, 20 percent of the Tunisian dinars 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 Tunisia for

business development and trade expansion in Tunisia, and to United States firms and Tunisian 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 AID and the Government of Tunisia, acting through the Secretariat of State for the Plan and Finances (hereinafter referred to as the Secretariat). The Secretary of State for the Plan and Finances, or his designate, will act for the Government of Tunisia, and the Administrator of AID or his designate will act for AID.

3. Upon receipt of an application which AID is prepared to consider, it will inform the Secretariat 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 AID is prepared to act favorably upon an application, it will so notify the Secretariat and will indicate the interest rate and the repayment period which would be used under the proposed loan. The interest rates will be similar to those prevailing in Tunisia 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 AID is prepared to act favorably upon an application, the Secretariat will indicate whether or not it has any objection to the proposed loan. When AID approves or declines the proposed loan, it will notify the Secretariat.

6. In the event the Tunisian dinars set aside for loans under Section 104 (e) of the Act are not advanced within three years from the date of this Agreement because AID has not approved loans or because loans have not been mutually agreeable to AID and the Secretariat, the Government of the United States of America may use the Tunisian dinars for any purpose authorized by Section 104 of the Act.

c. For a loan to the Government of Tunisia under Section 104 (g) of the Act for financing such projects to promote economic development as may be mutually agreed, including projects not heretofore included in plans of the Government of Tunisia, seventy percent of the dinars 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 of non-utilization of the dinars for loan purposes within three years from the date of this Agreement, the Government of the United States of America may use the dinars for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF TUNISIAN DINARS

1. The amount of dinars 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 cost 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 dinars, 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 Tunisia, 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 Tunisia.

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 dinars which may be due or become due under this Agreement more than two years from the effective date of this Agreement will 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 Tunisia 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 approved by mutual agreement of the two Governments) 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 agree that they will take reasonable precautions to assure that 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. The Government of Tunisia 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 information relating to the 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 Tunis in duplicate this 14th day of Sept. 1962.

For the Government
of the United States of America :

Leo G. CYR
[SEAL]

For the Government
of Tunisia :

Bechir ENNAJI

EXCHANGE OF NOTES — ÉCHANGE DE NOTES

I

The American Chargé d'Affaires ad interim to the Tunisian Secretary of State for Plan and Finances

Le Chargé d'Affaires par intérim des États-Unis d'Amérique au Secrétaire d'État au Plan et aux Finances de Tunisie

Tunis, September 14, 1962

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement between our two Governments signed today¹ and in connection therewith to confirm that it is the understanding of the Government of the United States of America that :

1. The Government of Tunisia will refrain from exporting any wheat before June 30, 1963, except up to a maximum of 75,000 metric tons of durum wheat and/or durum products in grain equivalent, and 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. The Government of Tunisia will export no more than 35,000 metric tons of olive oil to traditional destinations during the marketing season beginning November 1, 1962 and ending October 31, 1963. Exports in excess of this maximum will be permitted only on condition that they are to countries friendly to the United States of America and are offset by equal quantities of edible vegetable oils imported commercially from the United States of America during the same marketing year.

3. The Government of Tunisia will provide, upon request of the Government of the United States of America, facilities for the conversion into other currencies of two percent of the dinars accruing from sales under the Agreement for purposes of Section 104 (a) of the Act and of the dinar equivalent of up to \$250,000 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.

4. The Government of the United States of America may utilize dinars in Tunisia to pay for international travel originating in Tunisia, or originating outside Tunisia when involving travel to or through Tunisia, including connecting travel, and for air travel within the United States or other areas outside Tunisia when it is part of a trip in which the traveler journeys from, to or through Tunisia. 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.

¹ See p. 32 of this volume.

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

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

Leo G. CYR
Chargé d'Affaires ad interim

His Excellency Ahmed Ben Salah
Secretary of State for Plan and Finances
Tunis

[TRADUCTION — TRANSLATION]

Tunis, le 14 septembre 1962

Monsieur le Secrétaire d'État,

[Voir note II]

Veillez agréer, etc.

Leo G. CYR
Chargé d'Affaires ad interim

Son Excellence Monsieur Ahmed Ben Salah
Secrétaire d'État au Plan et aux Finances
Tunis

II

The Tunisian Chef de Cabinet, Secretariat of Plan and Finances, to the American Chargé d'Affaires ad interim

Le Chef de Cabinet du Secrétaire d'État au Plan et aux Finances de Tunisie au Chargé d'affaires par intérim des États-Unis d'Amérique

Tunis, le 14 Septembre 1962

Cher Monsieur Cyr

J'ai l'honneur d'accuser réception de votre lettre du 14 Septembre 1962 qui se réfère à l'Accord sur les produits agricoles entre nos deux gouvernements signé ce jour dont les termes sont les suivants :

« J'ai l'honneur de me référer à l'Accord sur les Produits Agricoles entre nos deux gouvernements signé ce jour et de confirmer les vues du Gouvernement des États-Unis ainsi qu'il suit :

[TRANSLATION¹ — TRADUCTION²]

Tunis, September 14, 1962

Dear Mr. Cyr :

I have the honor to acknowledge receipt of your note, dated September 14, 1962, concerning the Agricultural Commodities Agreement between our two Governments signed today, the terms of which are as follows :

“I have the honor to refer to the Agricultural Commodities Agreement between our two Governments signed today and to confirm the views of the Government of the United States as follows :

[See note I]

I have the honor to confirm to you my agreement to the foregoing.

Accept, Mr. Chargé d’Affaires, the renewed assurances of my very high consideration.

Bechir ENNAJI

Mr. Leo G. Cyr

Chargé d’Affaires ad interim of the Embassy of the United States of America

Tunis

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d’Amérique