

**No. 6678**

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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 letter). Signed at Athens,  
on 22 October 1962**

*Official text: English.*

*Registered by the United States of America on 24 April 1963.*

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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  
lettre connexe). Signé à Athènes, le 22 octobre 1962**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 24 avril 1963.*

No. 6678. 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 22 OCTOBER 1962

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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 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 drachmae of 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 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 DRACHMAE

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of Greece 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 sales for drachmae, to purchasers authorized by the Government of Greece, of the following agricultural commodities in the amounts indicated :

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<sup>1</sup> Came into force on 22 October 1962, upon signature, in accordance with article VI.

<i>Commodity</i>	<i>Export Market Value (millions)</i>
Wheat . . . . .	\$1.3
Feedgrains . . . . .	8.6
Ocean transportation (estimated) . . . . .	1.3
	<hr/>
TOTAL	\$11.2

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 drachmae accruing from such sale, and other relevant matters.

3. 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 DRACHMAE

The 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 proportions 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, forty-two percent of the drachmae accruing pursuant to this Agreement.
- B. For common defense expenditures under subsection 104 (c) of the Act, forty-five percent of the drachmae accruing pursuant to this Agreement.
- C. For loans to be made by the Agency for International Development under Section 104 (e) of the Act and for administrative expenses of the Agency for International Development in Greece incident thereto, thirteen percent of the drachmae 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 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 Agency for International Development (hereinafter referred to as AID) and the Government of Greece acting through the Ministry of Economic Coordination (hereinafter referred to as the Ministry). The Minister of Economic Coordination, or his designate, will act for the Government of Greece 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 Ministry 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 Ministry and will indicate the interest rate and the repayment period which would be used under the proposed loan. Maturities will be consistent with the purposes of the financing, and the interest rate will be similar to that prevailing in Greece on comparable loans.

(5) Within sixty days after receipt of notice that AID is prepared to act favorably upon an application, the Ministry will indicate to AID whether or not the Ministry has any objection to the proposed loan. Unless within the sixty-day period AID has received such a communication from the Ministry, it shall be understood that the Ministry has no objection to the proposed loan. When AID approves or declines the proposed loan, it will notify the Ministry.

(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 AID has not approved loans or because proposed loans have not been mutually agreeable to AID 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.

### *Article III*

#### DEPOSIT OF DRACHMAE

1. The amount of drachmae 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 drachmae, 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 Greece, 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 Greece.

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 drachmae 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 Greece 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 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 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 Greece 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 exports of the same or like commodities.

#### *Article V*

##### CONSULTATIONS

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*

## 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 Athens this twenty-second day of October, 1962.

For the Government  
of the United States of America :

Henry R. LABOUISSÉ

For the Government  
of Greece :

P. PAPALIGOURAS

## RELATED LETTER

*The Greek Minister of Coordination to the American Ambassador*

MINISTRY OF COORDINATION

The Minister

Athens, October 22, 1962

Dear Mr. Ambassador,

I have the honour to refer to the Agricultural Commodities Agreement between the Government of the United States of America and the Government of Greece signed today<sup>1</sup> and to confirm my Government's understanding of agreement reached in conversations which have taken place between representatives of our two Governments with respect to the following :

1. The Government of Greece will procure and import with its own resources from the United States of America not less than 10,000 metric tons of feedgrains during the fiscal year ending June 30, 1963, in addition to the feedgrains to be purchased under the cited Agreement. It is also understood that the amount of feedgrains supplied under this Agreement will not in itself lead to increased production of poultry and related products beyond internal consumption requirements. The Government of Greece will not permit exports of feedgrains, wheat or wheat flour while grain covered by this Agreement is being imported and utilized in Greece, or until June 30, 1963, whichever is later.

2. Upon request of the Government of the United States of America, the Government of Greece will provide facilities for the conversion of two percent of the drachmae accruing from sales under this Agreement into other currencies for purposes of Section 104 (a) of the Act. These currencies will be used to finance agricultural market development activities in other countries.

<sup>1</sup> See p. 188 of this volume.

3. The Government of the United States of America may utilize drachmae to procure in Greece goods and services needed in connection with agricultural market development projects and activities in other countries.

4. The Government of Greece will, within 30 days of the time that a request is made by the Government of the United States of America, convert drachmae in the equivalent value of up to \$250,000 to other currencies for use, in accordance with Section 104 (h) of the Act, for educational exchange activities in other countries.

5. The Government of the United States may utilize Greek drachmae in Greece to pay for international travel originating in Greece, or originating outside Greece when the travel (including connecting travel) is to or through Greece, and for travel within the United States of America or other areas outside Greece when the travel 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 who are traveling on official business for the Government of the United States of America or in connection with activities financed by the Government of the United States of America. It is further understood that the travel for which drachmae may be utilized shall not be limited to services provided by Greek transportation facilities.

PAPALIGOURAS  
Minister of Coordination

His Excellency Henry R. Labouisse  
Ambassador of the United States of America  
Athens