No. 6819

united states of America and DOMINICAN REPUBLIC

Agricultural Commodities Agreement under Title IV of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Santo Domingo, on 30 November 1962

Official text of the Agreement: English.

Official texts of the notes: English and Spanish.

Registered by the United States of America on 16 July 1963.

ÉTATS-UNIS D'AMÉRIQUE et RÉPUBLIQUE DOMINICAINE

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 Saint-Domingue, le 30 novembre 1962

Texte officiel de l'Accord: anglais.

Textes officiels des notes: anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 16 juillet 1963.

AGRICULTURAL COMMODITIES AGREEMENT¹ No. 6819. **BETWEEN** THE GOVERNMENT OF. THE STATES OF AMERICA AND THE GOVERNMENT OF THE DOMINICAN REPUBLIC UNDER TITLE IV OF THE AGRICULTURAL TRADE DEVELOPMENT ACT, ASSISTANCE AS AMENDED. SIGNED ATSANTO DOMINGO, ON 30 NOVEMBER 1962

The Government of the United States of America and the Government of the Dominican Republic;

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 the Dominican Republic;

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 Dominican Republic under long-term supply and credit arrangements, the resources and manpower of the Dominican Republic 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 the Dominican Republic 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 the Dominican Republic of credit purchase authorizations and to the availability of commodities under the Act at the time of exportation, the Government of the United States of America

¹ Came into force on 30 November 1962, upon signature, in accordance with article V.

undertakes to finance during the period July 1, 1962 to June 30, 1963, or such longer period as may be authorized by the Government of the United States of America, sales for United States dollars, to purchasers authorized by the Government of the Dominican Republic of the following commodities:

Commodity	Approximate Maximum Quantity	Export Market Value To be Financed
Rice	30,000 MT	\$4, 531, 000
Ocean transportation (estimated) ¹ .		466, 278
	Total	\$4, 997, 278

The total amount of financing provided in the credit purchase authorizations shall not exceed the above-specified 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 of America 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. Credit purchase authorizations will include provisions relating to the sale and delivery of such commodities and other relevant matters.
- 3. 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 the Dominican Republic 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.

¹ The following information is given by the Department of State of the United States of America (*Treaties and Other International Acts Series 5261*, p. 2, footnote 1): Estimate based on U.S. Government payment of excess transportation costs resulting from requirement that U.S. flag vessels be used.

- 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 19 approximately equal annual payments, the first of which shall become due two years after the date of last delivery of commodities in such calendar year. Any annual payment may be made prior to 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 $\frac{3}{4}$ of $\frac{1}{6}$ per annum and shall begin on the date of the last delivery of commodities in such calendar year. Interest on the amount due with respect to deliveries in each calendar year which accrues for the semi-annual periods ending respectively 6 months, 12 months and 18 months after the date of the last delivery of commodities in such calendar year shall be paid not later than the ending dates of such respective semi-annual periods. Interest for the 6 month period ending on the first annual principal payment date shall be paid not later than such principal payment date. Thereafter, the interest on the unpaid balance shall be paid annually not later than the date on which annual payment of principal becomes due.
- 4. All payments shall be made in United States dollars and the Government of the Dominican Republic shall 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 on behalf of the carrier.

Article III

GENERAL PROVISIONS

1. The Government of the Dominican Republic will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic consumption of the agricultural commodities purchased pursuant to this Agreement; to prevent the export of any commodity of either domestic or foreign origin which is the same as or like the commodities purchased pursuant to this Agreement during the period said commodities are being received and utilized (except where such export is specifically

approved by the Government of the United States of America); and to ensure that the purchase of commodities pursuant to this Agreement 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 commodities pursuant to this 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 commodities.
- 4. The Government of the Dominican Republic will furnish, upon request of the Government of the United States of America, information on the progress of the 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 other 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 Santo Domingo this 30th day of November, 1962.

For the Government of the United States of America:

John Bartlow Martin

For the Government of the Dominican Republic:

Rafael Jorge

EXCHANGE OF NOTES

Ι

The American Ambassador to the Dominican Secretary of State for Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

No. 518

Santo Domingo, November 30, 1962

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 Dominican Republic, signed today.1

I wish to confirm my Government's understanding of the agreement reached in conversations which have taken place between representatives of our two Governments with respect to the use by the Government of the Dominican Republic of pesos resulting from the sale of commodities financed under the Agreement. It is understood that these pesos will be used for such economic and social development programs, consistent with the purposes and objectives of the Act of Bogota² and the Charter of Punta del Este,³ as may be agreed to by our two Governments.

It is also understood that in the event of difference of view over interpretation of the Agreement or this Note, the English text will be controlling.

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

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

John Bartlow MARTIN

His Excellency Lic. José Antonio Bonilla Atiles Secretario de Estado de Relaciones Exteriores Santo Domingo

¹ See p. 26 of this volume.

United States of America: Department of State Bulletin, 3 October 1960, p. 537.
United States of America: Department of State Bulletin, 11 September 1961, p. 462.

TT

The Dominican Secretary of State for Foreign Affairs to the American Ambassador

[SPANISH TEXT — TEXTE ESPAGNOL]
REPÚBLICA DOMINICANA
Secretaria de Estado de Relaciones Exteriores
SANTO DOMINGO

Distrito Nacional 5 de diciembre de 1962 [Translation¹ — Traduction²]

DOMINICAN REPUBLIC
Secretary of State for Foreign Affairs

SANTO DOMINGO

Distrito Nacional December 5, 1962

DEI-30875

Excelencia:

Tengo a honra acusar recibo de la atenta nota de Vuestra Excelencia fechada a 30 de noviembre de 1962, en relación con la firma en esa misma fecha entre los Gobiernos de los Estados Unidos de América y de la República Dominicana del Acuerdo sobre Productos Agrícolas.

He quedado enterado del deseo de Vuestra Excelencia de confirmar la interpretación de vuestro Gobierno con respecto al uso que, bajo dicho Acuerdo, dará el Gobierno de la República Dominicana a los pesos provenientes de la venta de los productos financiados de conformidad con el mismo, en el sentido de que dichos pesos serán usados para aquellos programas de desarrollo económico y social que estén en armonía con los propósitos y objetivos de la Ley de Bogotá y la Carta de Punta del Este, en la forma convenida por los dos Gobiernos.

He tomado igualmente nota de lo que manifiesta Vuestra Excelencia en **DEI-30875**

Excellency:

I have the honor to acknowledge receipt of Your Excellency's note dated November 30, 1962, concerning the signature on that date of the Agricultural Commodities Agreement between the Governments of the United States of America and the Dominican Republic.

I have taken note of Your Excellency's desire to confirm your Government's interpretation with respect to the use which the Government of the Dominican Republic will make, under the aforesaid Agreement, of the pesos resulting from the sale of commodities financed thereunder, to the effect that these pesos will be used for such economic and social development programs as are consistent with the purposes and objectives of the Act of Bogotá and the Charter of Punta del Este, in the manner agreed to by the two Governments.

I have also taken note of Your Excellency's statement that in the

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

^a Traduction du Gouvernement des États-Unis d'Amérique.

el sentido de que en el caso de que surjan diferencias de opinión acerca de la interpretación del Acuerdo o de esta Nota, el texto en inglés dará la pauta.

Acepte, Excelencia, las renovadas seguridades de mi más alta consideración.

Bonilla ATILES

A Su Excelencia John Bartlow Martin Embajador Extraordinario y Plenipotenciario de los Estados Unidos de America

Santo Domingo

event of differences of view over the interpretation of the Agreement or this note, the English text will be controlling.

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

Bonilla ATILES

His Excellency John Bartlo w Martin Ambassador Extraordinary and Plenipotentiary of the United States of America

Santo Domingo