

No. 6907

**UNITED STATES OF AMERICA
and
ISRAEL**

Exchange of notes (with annex) constituting an agreement relating to a school feeding program. Tel Aviv, 28 February 1963, and Jerusalem, 21 March 1963

Official text: English.

Registered by the United States of America on 12 September 1963.

**ÉTATS-UNIS D'AMÉRIQUE
et
ISRAËL**

Échange de notes (avec annexe) constituant un accord relatif à un programme d'alimentation scolaire. Tel Aviv, 28 février 1963, et Jérusalem, 21 mars 1963

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 12 septembre 1963.

No. 6907. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND ISRAEL RELATING TO A SCHOOL FEEDING PROGRAM. TEL AVIV, 28 FEBRUARY 1963, AND JERUSALEM, 21 MARCH 1963

I

The American Ambassador to the Israeli Minister for Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

Tel Aviv, February 28, 1963

No. 67

Excellency :

I have the honor to refer to the conversations which have recently taken place between representatives of our two governments relating to a United States Government contribution toward the improvement and expansion of the school feeding program carried out by the Israeli Ministry of Education. It is our joint purpose to improve the quantity and quality of food being given to approximately 164,000 needy school children and to expand this number to a maximum of 200,000 individual recipients.

1. For this purpose, and in consideration of the undertakings and understandings contained herein, the United States Government will supply for the first two years of a proposed 6-year program of cooperation agricultural commodities from Commodity Credit Corporation stocks in the approximate quantities listed below, having a current estimated CCC value not in excess of \$1,350,000 (dollar export market value of \$694,585) plus ocean transportation of up to \$145,000.

	<i>First Year</i> <i>(in metric tons)</i>	<i>Second Year</i> <i>(in metric tons)</i>
Nonfat dry milk	779	858
Vegetable Oil	420	468
Beans and/or bulgur wheat	140	156

¹ Came into force on 21 March 1963 by the exchange of the said notes.

The United States' contribution will be governed by Title II, U.S. Public Law 480, 83rd Congress, as amended, through September 4, 1961.

2. For the above purpose, and in consideration of the above contribution, the Israeli Government undertakes to maintain a school feeding program of the magnitude described in Table 2 of Annex A, Plan of Operations, First and Second Years, which is attached hereto and incorporated as part of this agreement. During the first and second year of operation of the program, the total Israeli contribution, including that to be contributed by local authorities, is expected to amount to IL 5,584,250 (U.S. equivalent \$1,861,420) and IL 6,115,125 (U.S. equivalent \$2,038,375) respectively, in the form of food and operational and administrative costs, as set forth in Table 3 of Annex A. Of this expected total contribution, the Government of Israel will contribute not less than IL 4,750,000 (U.S. equivalent \$1,583,000) and IL 5,225,000 (U.S. equivalent \$1,741,667) respectively, during the first and second year of operation. In particular, the Government of Israel will :

- A) utilize the food made available by the U.S. Government in lunches and/or snacks (cocoa) for serving to school children who are needy by reason of their economic status and whose diet is deficient when tested against accepted standards of health, at a nominal service charge not to exceed IL 7 (U.S. equivalent \$2.34) per month per child for the total lunch and/or snack served ;
- B) account for all funds collected for lunches and/or snacks and these funds will be used only to purchase supplementary foods or to pay other costs directly incurred in the program ;
- C) assume responsibility for all internal costs entailed in the implementation of the school feeding program, including but not limited to :
 - (1) food processing such as baking rolls, reconstitution of milk or preparation of other foods utilizing U.S. surplus commodities ;
 - (2) purchase or rental of equipment ; and
 - (3) the administrative costs of maintaining day-to-day supervision over all phases of the program ;
- D) carry out throughout the agreed period of cooperation a program of public information relating to all aspects of the program on a basis to be mutually agreed ;
- E) provide to the U.S. Government complete information on the progress of this program promptly after each year of cooperation and otherwise as requested by A.I.D. ;¹

¹ Agency for International Development.

- F) make available to United States personnel adequate facilities for observing and reviewing the disposition of commodities supplied under this program and for conducting end-use checks and audits ;
- G) maintain complete accounting records pertinent to the execution of the program which will be readily made available to the United States Government representatives.

3. It is understood and agreed that the period of expansion for this program shall not exceed two years. It is further understood that the actual number of individual recipients in the program at the end of the second year shall be considered the maximum to be reached in the agreed period of cooperation, notwithstanding the fact that this number may be less than the maximum anticipated level stated in the opening paragraph of this agreement.

4. The Government of Israel agrees to progressively increase the Israeli contribution to the program with a view to assuming full responsibility for its supply and administration at the end of the agreed period of cooperation. During the period of expansion, the United States' contribution will be subject to negotiation but as a maximum may only be increased proportionately with the increase in the Israeli contribution. Thereafter, the U.S. contribution will be reduced in each year by equal amounts insofar as practicable until phased out by the end of the sixth and final year of cooperation. In no event will the U.S. contribution during the final year of the agreed period of cooperation exceed 35 percent of its maximum contribution. The Government of Israel agrees to operate the program without Title II assistance from the United States for at least one full year after the final year of cooperation.

5. In the event that the Government of Israel subsequently develops a mutually acceptable system for utilizing flour in this program and re-submits its request for this commodity, the United States will provide this flour subject to the availability of stocks and adjusted to the remaining period of contribution. It is understood and agreed that any flour contributed by the United States will be over and above the value equivalent of the flour products included in the Israeli contribution as programmed in Table 3 of Annex A. It is further understood that if beans and/or rice become available under Title II of PL 480 and the Government of Israel wishes either or both of these commodities in lieu of bulgur, the United States will provide same on a ton for ton basis.

6. Anything herein contained to the contrary notwithstanding, continuation of the program beyond the second year of operation shall be dependent upon (a) commodity availability from the United States; (b) continued existence in both

countries of legal authority and/or appropriations for this type of activity ; and (c) satisfactory program operation and mutual agreement on terms.

7. During each year of cooperation in this program, the Government of Israel agrees to maintain its contribution of fluid whole milk to the school feeding program at not less than the total quantity contributed during the 1961-62 school year, which has been established at 300,000 liters.

8. If the Government of Israel is reimbursed or compensated for any loss or destruction or damage to agricultural commodities supplied by the United States Government under this agreement, it shall reimburse A.I.D. in the amount recovered. The Government of Israel shall do nothing to prejudice A.I.D.'s rights to recover against third parties for any such loss, and upon request of A.I.D. shall, at U.S. Government expense, furnish to the U.S. Government all reasonable assistance and cooperation, including the prosecution of suits and the execution of assignments.

9. Both the United States and the Israeli Governments agree that this agreement shall be implemented by the issuance by the United States of Transfer Authorizations¹ containing specific terms and conditions, which terms and conditions shall be deemed incorporated herein and constitute a part hereof.

10. The United States Government would appreciate receiving confirmation that the foregoing terms and conditions are acceptable to the Israeli Government.

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

Walworth BARBOUR

Enclosure :
Annex A—Plan of Operations

Her Excellency Golda Meir
Minister for Foreign Affairs of Israel

¹ Not printed by the Department of State of the United States of America.

ANNEX A

PLAN OF OPERATIONS

Calendar Years 1963 and 1964

TABLE I—PROPOSED DAILY RATIONS
(in grams)

<i>Items</i>	<i>First Year</i>	<i>Second Year</i>
<i>For Lunches</i>		
Nonfat Dry Milk	20	20
Flour	100	100
Beans	10	10
Vegetable Oil	15	15
Fruits & Vegetable	100	100
Eggs	$\frac{1}{2}$	$\frac{1}{2}$
Cocoa	1	1
Sugar	10	10
Starch Products	20	20
Frozen Fish	20	20
Bulgur	5	5
White Cheese	20	20
Calories (number of)	700	700
<i>For Cocoa</i>		
Nonfat Dry Milk	20	20
Cocoa	2	2
Sugar	10	10

PLAN OF OPERATIONS (*continued*)

Calendar Years 1963 and 1964

TABLE 2—YEARLY REQUIREMENTS
(in metric tons)

<i>Item For Lunches</i>	<i>First Year</i>		<i>Number of School Days</i>	<i>Total Requirements (metric tons)</i>
	<i>Number of Recipients</i>	<i>Daily Ration (in grams)</i>		
	144,000		195	
Nonfat Dry Milk		20		561
Flour		100		2,808
Beans		10		280
Vegetable Oil		15		420
Fruit & Vegetable		100		2,808
Eggs		$\frac{1}{12}$		2,340,000 eggs
Cocoa		1		28
Sugar		10		280
Starch Products		20		561
Frozen Fish		20		561
Bulgur		5		140
White Cheese		20		561
<i>For Cocoa</i>	<u>56,000*</u>		195	:
Nonfat Dry Milk		20		218
Cocoa		2		22
Sugar		10		109
Total Number of Recipients	164,000			

*36,000 of these recipients also receive school lunches.

PLAN OF OPERATIONS (continued)

Calendar Years 1963 and 1964

TABLE 2 (continued)—YEARLY REQUIREMENTS
(in metric tons)

Item For Lunches	Second Year		Total Requirements (metric tons)
	Number of Recipients	Daily Ration (in grams)	
	160,000		195
Nonfat Dry Milk		20	624
Flour		100	3,120
Beans		10	312
Vegetable Oil		15	468
Fruit & Vegetable		100	3,120
Eggs		1 $\frac{1}{2}$	2,600,000 eggs
Cocoa		1	31
Sugar		10	312
Starch Products		20	624
Frozen Fish		20	624
Bulgur		5	156
White Cheese		20	624
<i>For Cocoa</i>	60,000*		195
Nonfat Dry Milk		20	234
Cocoa		2	23
Sugar		10	117
Total Number of Recipients	182,000		

*38,000 of these recipients also receive school lunches.

PLAN OF OPERATIONS (*continued*)

Calendar Years 1963 and 1964

TABLE 3—ESTIMATED U.S.A. AND ISRAELI CONTRIBUTIONS TO THE PROGRAM

<i>U.S.A. Contribution</i>		
<i>Item</i>	<i>First Year</i>	<i>Second Year</i>
<i>Commodities</i>	<i>(in metric tons)</i>	<i>(in metric tons)</i>
Nonfat Dry Milk	779	858
Vegetable Oil	420	468
Beans and/or Bulgur Wheat	140	156
Total metric tons	1339	1482
Ocean Freight (in dollars)	\$70,000	\$75,000
 <i>Israeli Contribution</i>		
<i>First Year</i>		
<i>Item</i>	<i>Israeli</i>	<i>\$ Equivalent</i>
	<i>Pound</i>	
1. Storage, Handling and Distribution Costs	100,000	33,000
2. <i>Purchases in the Israeli Market</i>		
Fruit and Vegetables	1,263,000	421,000
Eggs	196,000	65,000
Starch Products	526,000	175,000
White Cheese	561,000	187,000
Flour Products	1,000,000	334,000
3. <i>Imports</i>		
Sugar	245,000	82,000
Cocoa	133,000	44,000
Frozen Fish	1,067,000	356,000
4. Miscellaneous Expenditures (for improving the diet, equipment and feeding facilities, administration, public information, etc.)	514,000	171,000
5. Wages to Kitchen Staff	3,600,000	1,200,000
TOTAL	9,205,000	3,068,000
6. Less expected collections of funds from recipients for lunches and/or snacks	3,620,750	1,206,580
TOTAL Israeli Contribution	5,584,250	1,861,420

PLAN OF OPERATIONS (*continued*)

Calendar Years 1963 and 1964

TABLE 3 (*continued.*)—ESTIMATED U.S.A. AND ISRAELI CONTRIBUTIONS TO THE PROGRAM

<i>Israeli Contribution</i>		
<i>Second Year</i>		
<i>Item</i>	<i>Israeli Pound</i>	<i>\$ Equivalent</i>
1. Storage, Handling and Distribution Costs	110,000	37,000
2. <i>Purchases in the Israeli Market</i>		
Fruit and Vegetables	1,389,300	463,000
Eggs	215,600	72,000
Starch Products	578,600	193,000
White Cheese	617,100	205,000
Flour Products	1,100,000	367,000
3. <i>Imports</i>		
Sugar	269,500	90,000
Cocoa	146,300	49,000
Frozen Fish	1,173,700	391,000
4. Miscellaneous Expenditures (for improving the diet, equipment and feeding facilities, administration, public information, etc.)	565,400	188,000
5. Wages to Kitchen Staff	3,960,000	1,320,000
	TOTAL 10,125,500	3,375,000
6. Less expected collections of funds from recipients for lunches and/or snacks	4,010,375	1,336,790
	TOTAL Israeli Contribution 6,115,125	2,038,210

II

The Israeli Minister for Foreign Affairs to the American Ambassador

MINISTER FOR FOREIGN AFFAIRS

Jerusalem, 21 March, 1963

Excellency,

I have the honour to acknowledge receipt of Your Excellency's letter No. 67 of 28 February, which reads as follows :

[See note I]

It is my pleasure to inform Your Excellency that the foregoing terms and conditions, together with the Plan of Operations which was set out in Annex A to Your Excellency's letter and is also appended to this reply, are acceptable to the Government of Israel.

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

Golda MEIR

Enclosure : ¹

Annex A—Plan of Operations

His Excellency Mr. Walworth Barbour
Ambassador of the United States of America
in Israel

¹ Not printed by the Department of State of the United States of America ; this enclosure is identical to annex A to note I (see p. 140 of this volume).