

UNITED STATES OF AMERICA
and
SYRIAN ARAB REPUBLIC

Agricultural Commodities Agreement under Title IV of the Agricultural Trade Development and Assistance Act, as amended (with exchange of notes). Signed at Damascus, on 18 November 1963

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Damascus, 28 December 1963

Official texts of the Agreement and of the notes : English and Arabic.

Official text of the exchange of notes : English.

Registered by the United States of America on 28 April 1964.

ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE ARABE SYRIENNE

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 Damas, le 18 novembre 1963

Échange de notes constituant un avenant à l'Accord susmentionné. Damas, 28 décembre 1963

Textes officiels de l'Accord et des notes : anglais et arabe.

Texte officiel de l'échange de notes : anglais.

Enregistrés par les États-Unis d'Amérique le 28 avril 1964.

No. 7232. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE SYRIAN ARAB REPUBLIC UNDER TITLE IV OF
THE AGRICULTURAL TRADE DEVELOPMENT AND
ASSISTANCE ACT, AS AMENDED. SIGNED AT DA-
MASCUS, ON 18 NOVEMBER 1963

The Government of the United States of America and the Government of the Syrian Arab 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 Syrian Arab 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 the Syrian Arab Republic under long-term supply and credit arrangements, the resources and manpower of the Syrian Arab 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 Syrian Arab 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 Syrian Arab 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 undertakes to finance during the period January 1, 1963, to December 31, 1963, or such longer period as may be authorized by the Government of the United

¹ Came into force on 18 November 1963, upon signature, in accordance with article V.

States of America, sales for United States dollars, to purchasers authorized by the Government of the Syrian Arab Republic of the following commodities :

<i>Commodity</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Export Market Value— Market Value to be Financed</i>
Tobacco	200	\$392,000
Ocean transportation (estimated) ¹ . . .		\$ 8,000
		TOTAL \$400,000

¹ Estimate based on U.S. Government payment of excess transportation costs resulting from requirement that U.S. flag vessels be used.

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 Syrian Arab 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 of America together with interest thereon.

2. The principal amount due for the commodities delivered in each calendar year under this Agreement, including the applicable ocean transportation costs related to such deliveries, shall be paid in ten 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 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 1 percent 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 the Syrian Arab 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 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 Syrian Arab 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 Syrian Arab 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 Damascus this 18th day of November, 1963.

For the Government
of the Syrian Arab Republic :

George Tu'MAH
Minister of Economy

For the Government
of the United States of America :

Ridgway B. KNIGHT
American Ambassador

EXCHANGE OF NOTES

I

The American Ambassador to the Minister of Economy of the Syrian Arab Republic

AMERICAN EMBASSY

DAMASCUS, S.A.R.

November 18, 1963

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 Syrian Arab 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 Syrian Arab Republic of Syrian pounds resulting from the sale of commodities financed under the Agreement. It is understood that these Syrian pounds will be used for economic and social development programs.

It is my Government's further understanding that in agreeing that the delivery of commodities pursuant to the above cited agreement should not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries, the Government of the Syrian Arab Republic agrees that Syria already has, or will, in addition to the commodities to be programmed under this Agreement, import from free world sources, including the United States of America, at least 115 metric tons of tobacco during the calendar year ending December 31, 1963.

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

Accept Excellency, the renewed assurances of my highest consideration.

Sincerely yours,

R. B. K.
American Ambassador

His Excellency George Tu'mah
Minister of Economy
Syrian Arab Republic

¹ See p. 174 of this volume.

ENGLISH LANGUAGE VERSION OF THE SYRIAN ARAB REPUBLIC NOTE

RÉPUBLIQUE ARABE SYRIENNE
MINISTÈRE DE L'ÉCONOMIE¹

His Excellency the Ambassador
of the United States of America
Damascus

Dear Ambassador

I have the pleasure to inform you that I received your note of November 18, 1963, which reads as follows :

[See note I]

It is my pleasure to express my government's Confirmation of the above understandings.

Please accept with my greetings the highest regards.

Sincerely yours,

George TU'MAH
Minister of Economy

Damascus, November 18/1963

¹ Syrian Arab Republic.
Ministry of Economy.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
 BETWEEN THE UNITED STATES OF AMERICA AND
 THE SYRIAN ARAB REPUBLIC AMENDING THE AGRICULTURAL
 COMMODITIES AGREEMENT OF 18 NOVEMBER 1963.² DAMASCUS, 28 DECEMBER 1963

I

The American Ambassador to the Minister of Foreign Affairs of the Syrian Arab Republic

AMERICAN EMBASSY

DAMASCUS, S.A.R.

December 28, 1963

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement of November 18, 1963² between the Government of the United States of America and the Government of the Syrian Arab Republic.

The Government of the United States of America, in response to a request from the Government of the Syrian Arab Republic, proposes to amend paragraph 1 of Article I of the Agreement by deleting the phrase "the period January 1, 1963 to December 31, 1963" and substituting therefore "those periods indicated in the table of commodities which appears below;" and by deleting the commodity table in Article I and substituting the following :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Maximum Export Market Value to be Financed</i>
Unmanufactured Tobacco	U.S. Calendar Year 1963	200	\$ 392,000
Rice	U.S. Fiscal Year 1964	10,000	\$1,240,000
Ocean Transportation (estimated)			\$ 163,000
TOTAL			\$1,795,000

The amount for rice is added to the Agreement on the condition that the Government of the Syrian Arab Republic will procure and import during United States fiscal year 1964 at least 27,000 metric tons of milled rice from free world sources, including the United States of America.

¹ Came into force on 28 December 1963 by the exchange of the said notes.

² See p. 174 of this volume.

It is proposed that this note and your reply concurring therein shall constitute an Agreement between our two Governments on this matter to enter into force on the date of your note in reply.

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

Sincerely yours,

R. B. K.

His Excellency Hassan Muraywid
Minister of Foreign Affairs
Syrian Arab Republic

II

The Minister of Foreign Affairs of the Syrian Arab Republic to the American Ambassador

His Excellency the Ambassador,

I have the honour to inform you that I have received the letter addressed by your Excellency to the Minister of Supply¹ enclosed with the Embassy Note No. 278 dated November 22, 1963¹ regarding the agriculture commodities agreement signed on November 18, 1963, between the Government of the Syrian Arab Republic and the Government of the United States of America.

We have taken note that the Government of the United States of America, in response to a request of the Government of the Syrian Arab Republic, proposes to amend paragraph one of Article 1 of the Agreement, by deleting the phrase "the period between January 1, 1963 to December 31, 1963" and substituting therefore, "the periods indicated in the table of commodities which appears below" and by deleting the commodity table in Article 1 and substituting the following :

<i>Commodity</i>	<i>Delivery Period</i>	<i>Approximate Quantity (Metric Tons)</i>	<i>Maximum Cost Export Commodities to be Financed</i>
Unmanufactured Tobacco	U.S. Calendar Year 1963	200	\$ 392,000
Rice	U.S. Fiscal Year 1964	10,000	\$1,240,000
Ocean Transporta- tion (estimated)			\$ 163,000
			<hr/> TOTAL \$1,795,000

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

In your letter mentioned above it was stated “ that the amount of rice is added to the Agreement on the condition that the Government of the Syrian Arab Republic will procure and import during U.S. Fiscal Year 1964, at least 27,000 metric tons of milled rice from free world sources, including the United States of America. ”

We agree that your note and our reply concurring therein shall constitute an agreement between our two governments in this matter, to enter into force on the date of our letter, and I avail myself of this opportunity to renew to Your Excellency the assurances of my consideration.

Hassan MURAYWID
Minister of Foreign Affairs

Damascus, December, 28th 1963

H. E. Mr. Ridgway B. Knight
Ambassador of the United States of America
Damascus