

No. 7373

**UNITED STATES OF AMERICA
and
REPUBLIC OF VIET NAM**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at Saigon,
on 9 January 1964**

Official text of the Agreement: English.

Official texts of the notes: English and French.

Registered by the United States of America on 11 August 1964.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DU VIET-NAM**

**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
échange de notes). Signé à Saïgon, le 9 janvier 1964**

Texte officiel de l'Accord: anglais.

Textes officiels des notes: anglais et français.

Enregistré par les États-Unis d'Amérique le 11 août 1964.

No. 7373. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE REPUB-
LIC OF VIET NAM UNDER TITLE I OF THE AGRICUL-
TURAL TRADE DEVELOPMENT AND ASSISTANCE ACT,
AS AMENDED. SIGNED AT SAIGON, ON 9 JANUARY
1964

The Government of the United States of America and the Government of the Republic of Viet Nam ;

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

Considering that the piastres 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 Viet Nam 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

SALE FOR PIASTRES

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Republic of Viet Nam 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

¹ Came into force on 9 January 1964, upon signature, in accordance with article VI.

piastres to purchasers authorized by the Government of the Republic of Viet Nam of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Export market value (millions)</i>
Wheat/wheat flour	\$4.25
Sweetened condensed milk	8.10
Non fat dry milk10
Anhydrous milk fat26
Evaporated milk15
Tobacco	6.00
Cotton	10.30
Ocean transportation	2.05
	TOTAL \$31.21

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 piastres 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 PIASTRES

The piastres 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 or ¹ priority as the Government of the United States of America shall determine, for the following purposes, in the amounts shown :

A. For United States expenditures under subsections (a), (f), (h) through (s) of Section 104 of the Act, or under any of such subsections, 10 percent of the piastres accruing pursuant to this Agreement.

¹ According to the information provided by the United States of America this word should read "of".

B. To procure military equipment, materials, facilities and services for the common defense in accordance with Section 104 (c) of the Act, as amended, 90 percent of the piastres accruing pursuant to this Agreement.

In the event that agreement is not reached on use of the Vietnamese piastres for grant under subsection (c) of Section 104 of the Act within three years from the date of this Agreement, the Government of the United States of America may use the Vietnamese piastres for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF PIASTRES

1. The amount of piastres to be deposited to the account of the United States 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 (except excess costs resulting from the requirement that United States flag vessels be used) converted into piastres 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 the Republic of Viet Nam, or
- (b) if more than one legal rate for foreign exchange transactions exists, the rate of exchange shall be mutually agreed upon from time to time between the Government of the United States and the Government of the Republic of Viet Nam.

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 piastres 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 the Republic of Viet Nam 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 the provisions of 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 beginning on the date of this Agreement and ending with the final date on which such

commodities are received and utilized (except where such export is specifically approved by the Government of the United States of America), 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 all 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 the Republic of Viet Nam will furnish 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

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 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 Saigon in duplicate this 9th day of January 1964.

For the Government
of the Republic of Viet Nam :

NGUYEN NGO THO

For the Government
of the United States of America:

Henry Cabot LODGE

EXCHANGE OF NOTES — ÉCHANGE DE NOTES

I

*The American Ambassador to the Viet-
namese Minister of Foreign Affairs*

*L'Ambassadeur des États-Unis d'Amé-
rique au Ministre des affaires étrangères
du Viet-Nam*

[TRADUCTION — TRANSLATION]

Saigon, January 9, 1964

Saigon, le 9 janvier 1964

No. 125

N° 125

Excellency :

Monsieur le Ministre,

I have the honor to refer to the Agricultural Commodities Agreement between the United States of America and the Republic of Viet Nam under Title I of the Agricultural Trade Development and Assistance Act, as amended, which was signed today¹ and to confirm the following supplementary understanding of my Government.

Me référant à l'Accord relatif aux produits agricoles conclu ce jour¹ entre les États-Unis d'Amérique et la République du Viet-Nam dans le cadre du titre I de la loi tendant à développer et à favoriser le commerce agricole, telle qu'elle a été modifiée, j'ai l'honneur de confirmer, au nom de mon Gouvernement, les clauses complémentaires suivantes :

1. The Government of the Republic of Viet Nam will provide facilities for the conversion of \$624,000 or two percent of the sales proceeds, whichever is higher, accruing under the subject Agreement for agricultural market development purposes into currencies other than U.S. dollars on request of the Government of the United States of America. This facility is needed for the purpose of securing funds to finance agricultural market development activities of the Government of the United States in other countries.

1. Sur demande du Gouvernement des États-Unis d'Amérique, le Gouvernement de la République du Viet-Nam facilitera la conversion en devises autres que le dollar des États-Unis de 2 p. 100 du produit des ventes effectuées conformément à l'Accord — sous réserve d'un minimum de 624 000 dollars —, cette somme devant servir au développement des marchés agricoles. Il s'agit là pour le Gouvernement des États-Unis de réunir des fonds pour financer le développement des marchés de produits agricoles américains dans d'autres pays.

2. The Government of the United States may utilize piastres in Viet Nam to pay for international travel originating in Viet Nam, or originating outside Viet Nam when the travel (including connecting travel) is to or through Viet Nam, and for travel within the United States of America or other areas

2. Le Gouvernement des États-Unis pourra se servir de piastres au Viet-Nam pour payer des voyages internationaux en provenance ou à destination du Viet-Nam, ou en transit via ce pays, y compris les déplacements intermédiaires, ainsi que des voyages à l'intérieur des États-Unis d'Amé-

¹ See p. 174 of this volume.

¹ Voir p. 175 de ce volume.

outside Viet Nam when the travel is part of a trip in which the traveler travels from, to or through Viet Nam. 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 piastres may be utilized shall not be limited to services provided by Vietnamese transportation facilities.

3. With respect to Article III, Paragraph 1 concerning the rate of exchange, it is the understanding of the Government of the United States of America that under the current Vietnamese exchange system, the amount of piastres to be deposited against dollar disbursements by the Government of the United States of America shall be computed at the controlled free market selling rate in effect on the dates of dollar disbursements.

In the event that the exchange system of Viet Nam is changed to establish a unitary rate for all foreign exchange transactions, deposits of piastres against dollar disbursements which take place on or after the effective date of such change shall be made at the exchange rate specified in Article III (1) (a) of the Agreement. It is further understood that if there should be any other change in the exchange system of Viet Nam, the amount of piastres to be deposited under this Agreement shall be mutually agreed as provided in Article III (1) (b) of the Agreement.

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

rique, ou de territoires autres que le Viet-Nam, lorsqu'ils feront partie d'un voyage en provenance ou à destination du Viet-Nam ou en transit via ce pays. Il est entendu qu'il devra s'agir uniquement de voyages officiels pour le compte du Gouvernement des États-Unis d'Amérique ou au titre d'activités financées par ce Gouvernement. Il est entendu en outre que ces voyages ne se feront pas nécessairement à bord de moyens de transports vietnamiens.

3. Pour ce qui est de l'article III, paragraphe 1, qui concerne le taux de change, le Gouvernement des États-Unis considère comme entendu qu'avec le régime des changes en vigueur au Viet-Nam, la somme en piastres à déposer en contrepartie des dollars déboursés par le Gouvernement des États-Unis sera calculée au cours vendeur du marché libre contrôlé aux dates auxquelles les dollars seront déboursés.

Au cas où le régime des changes du Viet-Nam serait modifié et où un taux uniforme serait rendu applicable à toutes les opérations sur devises, les sommes en piastres à déposer en contrepartie des dollars déboursés à compter de la date d'entrée en vigueur de la modification seraient calculées au taux de change indiqué au paragraphe 1, a, de l'article III de l'Accord. Il est entendu en outre que, si le régime des changes du Viet-Nam était modifié de toute autre manière, la somme en piastres à déposer au titre de l'Accord serait convenue entre les deux gouvernements comme il est dit au paragraphe 1, b, de l'article III de l'Accord.

Je serais obligé à Votre Excellence de bien vouloir confirmer ce qui précède.

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

Henry Cabot LODGE

His Excellency
Pham Dang Lam
Minister of Foreign Affairs
Saigon

Veillez agréer, etc.

Henry Cabot LODGE

Son Excellence
Monsieur Pham Dang Lam
Ministre des affaires étrangères
Saigon

II

Le Ministre des affaires étrangères du Viet-Nam à l'Ambassadeur des États-Unis d'Amérique

RÉPUBLIQUE DU VIET-NAM
MINISTÈRE DES AFFAIRES ÉTRANGÈRES

Saigon, le 9 janvier 1964

No 120/EF.

Excellence,

J'ai l'honneur d'accuser réception de votre lettre No. 125 en date de ce jour dont teneur suit :

[*Voir note I, texte anglais —
See English text of note I*]

J'ai l'honneur de confirmer à votre Excellence que le Gouvernement de la République du Viet-Nam accepte les propositions ci-dessus, et que le présent échange de lettres constitue entre nos deux Gouvernements un accord qui entre en vigueur à partir de ce jour.

Veillez agréer, Excellence, les assurances de ma très haute considération.

[SCEAU] PHAM DANG LAM

Son Excellence
Monsieur Henry Cabot Lodge
Ambassadeur Extraordinaire et Plénipotentiaire des États-Unis d'Amérique
Saigon

The Vietnamese Minister of Foreign Affairs to the American Ambassador

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF VIET-NAM
MINISTRY OF FOREIGN AFFAIRS

Saigon, January 9, 1964

No. 120/EF.

Excellency :

I have the honor to acknowledge receipt of your note No. 125 of this date, which reads as follows :

[*See note I*]

I have the honor to confirm to Your Excellency that the Government of the Republic of Viet-Nam accepts the foregoing proposals and that this exchange of notes constitutes an agreement between our two Governments which shall enter into force today.

Accept, Excellency, the assurances of my very high consideration.

[SEAL] PHAM DANG LAM

His Excellency
Henry Cabot Lodge
Ambassador Extraordinary and Plenipotentiary of the United States of America
Saigon

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

² Traduction du Gouvernement des États-Unis d'Amérique.