

No. 8514

**UNITED STATES OF AMERICA
and
BOLIVIA**

**Agricultural Commodities Agreement under Title IV of the
Agricultural Trade Development and Assistance Act, as
amended (with exchange of notes). Signed at La Paz,
on 17 August 1965**

Official texts: English and Spanish.

Registered by the United States of America on 10 January 1967.

**ÉTATS-UNIS D'AMÉRIQUE
et
BOLIVIE**

**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 La Paz, le 17 août 1965**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 10 janvier 1967.

No. 8514. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
BOLIVIA UNDER TITLE IV OF THE AGRICULTURAL
TRADE DEVELOPMENT AND ASSISTANCE ACT, AS
AMENDED. SIGNED AT LA PAZ, ON 17 AUGUST 1965

The Government of the United States of America and the Government of Bolivia :

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would utilize agricultural commodities, including the products thereof, produced in the United States of America to assist economic development in Bolivia;

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 Bolivia under long-term supply and credit arrangements, the resources and manpower of Bolivia 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 Bolivia 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 Bolivia 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

¹ Came into force on 17 August 1965, upon signature, in accordance with article V.

the period specified in the commodity table which appears below, 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 Bolivia, of the following commodities :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Maximum Export Market Value to be Financed (1,000)</i>
Wheat Flour	United States Fiscal Year 1966	7,100	\$525
Ocean Transportation (estimated)			97
		TOTAL	\$622

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 may limit the amount of financing provided in the credit purchase authorizations, as price declines or other marketing factors require, so that the quantities of commodities financed will not substantially exceed the approximate maximum quantities specified in the Agreement.

2. Applications for credit purchase authorizations will be made promptly after the effective date of this Agreement. Purchase authorizations will include provisions relating to the sale and delivery of the 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 Bolivia 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 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 for commodities delivered in each calendar year will begin on the date of last delivery of commodities in such calendar year and shall be paid annually beginning one year after the date of last delivery of commodities in such calendar year. The interest shall be computed at the rate of one percent per annum during the period from the date of last delivery of commodities in such calendar year and the due date of the first payment of principal and $2\frac{1}{2}\%$ thereafter.

4. All payments shall be made in United States dollars and the Government of Bolivia shall deposit, or cause to be deposited, such payments in the United States Treasury for credit to the Commodity Credit Corporation 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 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 Bolivia 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 (unless such resale, transshipment or use is specifically approved by the Government of the United States of America); 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 on the final date on which 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 the same or like commodities to nations unfriendly to the United States of America.

2. The two Governments will take reasonable precautions to assure that sales and purchases of commodities pursuant to the 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 of countries friendly to the United States of America.

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 Bolivia will furnish information quarterly on the progress of the program, particularly with respect to the arrival and condition of the commodities; provisions for the maintenance of usual marketings; and information relating to imports and 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

This 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 La Paz, in duplicate this 17th day of August, 1965.

For the Government of the United States of America :
Douglas HENDERSON

For the Government of Bolivia :
Cnl. Joaquín ZENTENO ANAYA

[SEAL]

EXCHANGE OF NOTES

I

The American Ambassador to the Bolivian Minister of Foreign Relations

No. 57

La Paz, August 17, 1965

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 Bolivia signed today, and to confirm my Government's understanding of the following :

1. With regard to Paragraph 4 of Article III of the Agreement, the Government of Bolivia agrees to furnish quarterly the following information in connection with each shipment of commodities received under the Agreement : The name of each vessel, the date of arrival, the port of arrival, the commodity and quantity received, the condition in which received, the date unloading was completed, and the disposition of the cargo, i.e., stored, distributed locally or, if shipped, where shipped. In addition, the Government of Bolivia agrees to furnish quarterly : (a) A statement of measures it has taken to prevent the resale or transshipment of commodities furnished, (b) assurances that the program has not resulted in increased availability of the same or like commodities to other nations, and (c) a statement by the Government of Bolivia showing progress made toward fulfilling commitments on usual marketings, accompanied by statistical data on imports and exports by country of origin or destination, of commodities which are the same as or like those imported under the Agreement.

2. Any pesos bolivianos resulting from the sale within Bolivia of the commodities purchased pursuant to the Agreement which are loaned by the Government of Bolivia to private or nongovernmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in Bolivia.

3. The Government of Bolivia will use the pesos bolivianos resulting from the sale of commodities financed under the Agreement for economic and social development programs as may be mutually agreed upon by our two Governments.

4. The Government of Bolivia agrees to furnish the Government of the United States of America semi-annual reports showing the total pesos bolivianos available to the Government of Bolivia from the sale of the commodities and reports listing the projects being undertaken including information on the name, location and amount invested in each project.

5. The Government of Bolivia agrees that Bolivia will import with its own resources from the United States and other Free World sources during United

States fiscal year 1966 not less than 40,000 metric tons of wheat and/or wheat flour in wheat equivalent in addition to the commodities imported from the United States and financed under any Agriculture Commodities Agreement between our two Governments under Titles I or IV of the Agricultural Trade Development and Assistance Act, as amended.

6. Should the Government of Bolivia engage the services of a firm or individual of the United States of America as its agent to handle procurement of the commodity and/or ocean transportation, such agent must be approved by the United States Department of Agriculture. A copy of the written agreement between the agency and the Government of Bolivia must be submitted to the United States Department of Agriculture for approval prior to the issuance of applicable purchase authorizations.

I shall appreciate receiving your confirmation that the foregoing also represents the understanding of the Government of Bolivia.

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

Douglas HENDERSON

His Excellency Col. Joaquín Zenteno Anaya
Minister of Foreign Relations
La Paz

II

[SPANISH TEXT — TEXTE ESPAGNOL]

The Bolivian Minister of Foreign Relations to the American Ambassador

REPUBLICA DE BOLIVIA
MINISTERIO DE RELACIONES EXTERIORES Y CULTO

Número : D.G.A.N.

La Paz, 17 de agosto de 1965

Señor Embajador :

Me es honroso avisar recibo de la nota de Vuestra Excelencia, No. 57, de 17 los corrientes, que textualmente dice :

« Embajada de los Estados Unidos de América. La Paz, 17 de agosto de 1965. No. 57.

« Excelencia :

« Tengo el honor de referirme al Convenio sobre Productos Agrícolas concertado hoy entre el Gobierno de los Estados Unidos de América y el Gobierno de Bolivia y confirmarle lo que mi Gobierno entiende con respecto a los siguientes puntos :

representante deberá ser aprobado por el Departamento de Agricultura de los Estados Unidos. Una copia del convenio entre el representante y el Gobierno de Bolivia deberá ser presentada al Departamento de Agricultura de los Estados Unidos para su aprobación antes de la expedición de las autorizaciones de compra correspondientes.

« Mucho agradeceré a Su Excelencia su confirmación de que lo anterior también representa el entendimiento del Gobierno de Bolivia ».

« Acepte usted, Excelencia, las renovadas seguridades de mi más alta consideración. (*Firmado*) Douglas HENDERSON ».

En respuesta, tengo el honor de confirmar a Vuestra Excelencia la aceptación del Gobierno de Bolivia a los puntos mencionados en la nota transcrita.

Me valgo de la oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

Cnl. J. ZENTENO

A Su Excelencia el Señor Douglas Henderson
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América
Presente

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF BOLIVIA
MINISTRY OF FOREIGN AFFAIRS AND WORSHIP

No. D.G.A.N.

La Paz, August 17, 1965

Mr. Ambassador :

I have the honor to acknowledge receipt of Your Excellency's note No. 57 of August 17, 1965, the text of which reads as follows :

[*See note I*]

In reply, I have the honor to confirm to Your Excellency the acceptance by the Government of Bolivia of the points referred to in the transcribed note.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

Col. J. ZENTENO

His Excellency Douglas Henderson
Ambassador Extraordinary of the United States of America
City

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

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