

No. 8570

UNITED STATES OF AMERICA
and
LIBERIA

Agricultural Commodities Agreement under Title IV
of the Agricultural Trade Development and Assist-
ance Act, as amended (with exchange of notes).
Signed at Monrovia, on 6 January 1966

Official text : English.

Registered by the United States of America on 13 March 1967.

ÉTATS-UNIS D'AMÉRIQUE
et
LIBÉRIA

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
Monrovia, le 6 janvier 1966

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 13 mars 1967.

No. 8570. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE REPUBLIC OF LIBERIA UNDER TITLE IV OF
THE AGRICULTURAL TRADE DEVELOPMENT AND
ASSISTANCE ACT, AS AMENDED. SIGNED AT MON-
ROVIA, ON 6 JANUARY 1966

The Government of the United States of America and the Government of the Republic of Liberia :

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 Liberia ;

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

¹ Came into force on 6 January 1966, upon signature, in accordance with article V.

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 specified in the commodity table which appears below, or such longer periods 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 Republic of Liberia of the following :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity</i>	<i>Maximum Export Market Value to be Financed</i>
Rice.....	United States Fiscal Year 1966	5,000 metric tons	\$783,000
Ocean transporta- tion (estimated)..			60,000
		TOTAL	<u>\$843,000</u>

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 in 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 the Republic of Liberia will pay, or cause to be paid, in the 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 amount of the principal due for commodities delivered in each calendar year under this Agreement, including the applicable related ocean transportation costs, shall be made 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 payment may be made prior to the due date thereof.

3. Interest on the unpaid balance of the principal due the Government of the United States of America for commodities delivered in each calendar year shall begin on the date of the last delivery of commodities in such calendar year. Interest on the unpaid balance for deliveries in each calendar year shall be paid one year after the date of the last delivery in such calendar year and annually thereafter not later than the date on which the annual payment of principal becomes due. The interest shall be paid at the rate of 1 percent per annum during the period from the date of last delivery of commodities in such calendar year to the due date of the first annual payment of principal for deliveries in such calendar year and at 2½ percent per annum thereafter.

4. All payments shall be made in United States dollars and the Government of the Republic of Liberia 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 the Republic of Liberia 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 insure 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 the Republic of Liberia 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

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 Monrovia in duplicate this sixth day of January 1966.

For the Government
of the United States of America :

Ben H. BROWN, Jr.
Ambassador

For the Government
of the Republic of Liberia :

John W. COOPER
Secretary of Agriculture

EXCHANGE OF NOTES

I

The American Ambassador to the Liberian Secretary of Agriculture

Monrovia, January 6, 1966

Mr. Secretary :

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

1. In agreeing that the delivery of rice pursuant to the Agreement should not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries or displace cash marketings of the United States in rice, the Government of the Republic of Liberia agrees that during the United States Fiscal Year 1966 Liberia will import with its own resources from the United States of America at least 30,000 metric tons of rice on a milled rice basis. The above-mentioned quantity of rice is in addition to the quantity provided for in the Agreement.

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

3. With regard to paragraph 4 of Article III of the Agreement, the Government of the Republic of Liberia agrees to furnish at least 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 commodities and quantities 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 the Republic of Liberia agrees to furnish at least quarterly . (a) a statement of measures it has taken to prevent resale or transshipment of commodities furnished, (b) assurance that the program has not resulted in increased availability of the same or like commodities for exportation to other nations, and (c) a statement showing progress toward fulfilling commitments on usual marketing requirements. The Government of the Republic of Liberia further agrees that the above official statements will be accompanied by available 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.

4. With regard to the use by the Government of the Republic of Liberia of the funds resulting from the sale in Liberia of the commodities financed under the Agreement, it is agreed that such funds will be deposited in a special account in the name of the Government of the Republic of Liberia and will be used for purposes of economic and social development in a manner to be agreed upon by our two Governments prior to use. It is further agreed that any lending by the Government of the Republic of Liberia to private firms or non-governmental organizations for any purpose of funds resulting from the sale in Liberia of commodities financed under the Agreement shall be at interest rates approximately equivalent to those charged for comparable loans in Liberia.

5. The Government of the Republic of Liberia further agrees to furnish semi-annually during the period of indebtedness under the Agreement to the Government of the United States of America reports showing the total dollars available to the Government of the Republic of Liberia from the sale of the commodities and a list of the projects being undertaken, including information on the name, location, and status of completion of each project and the amount invested in it.

I shall appreciate receiving your confirmation of the above understanding.

Accept, Mr. Secretary, the renewed assurances of my highest consideration.

Ben H. BROWN, Jr.

The Honorable John W. Cooper
The Secretary of Agriculture
Republic of Liberia
Monrovia, Liberia

II

The Liberian Secretary of Agriculture to the American Ambassador

REPUBLIC OF LIBERIA
DEPARTMENT OF AGRICULTURE
MONROVIA
Office of the Secretary

M/66/102

January 6, 1966

His Excellency Ben Hill Brown
Ambassador Extraordinary and Plenipotentiary
Embassy of the United States of America
Monrovia

Mr. Ambassador :

I have the honor to acknowledge receipt of your Note of January 6, 1966,
which reads as follows :

[*See note I*]

The Liberian Government also accepts the proposal that your note and
this reply shall constitute a supplementary agreement between the Govern-
ment of the United States of America and the Liberian Government and
that the Agreement enters into force on the date of this letter.

Please accept, Mr. Ambassador, the assurance of my high consideration
and esteem.

Sincerely yours,

John W COOPER
Secretary of Agriculture