

No. 8587

**UNITED STATES OF AMERICA
and
JORDAN**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act, as
amended (with exchange of notes). Signed at Amman, on
5 April 1966**

**Exchange of notes constituting an agreement amending the
above-mentioned Agreement. Amman, 25 August 1966**

Official text: English.

Registered by the United States of America on 28 March 1967

**ÉTATS-UNIS D'AMÉRIQUE
et
JORDANIE**

**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 Amman, le 5 avril 1966**

**Échange de notes constituant un avenant à l'Accord susmen-
tionné. Amman, 25 août 1966**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 28 mars 1967.

No. 8587. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE HASHEMITE KINGDOM OF JORDAN UNDER
TITLE I OF THE AGRICULTURAL TRADE DEVELOP-
MENT AND ASSISTANCE ACT, AS AMENDED. SIGNED
AT AMMAN, ON 5 APRIL 1966

The Government of the United States of America and the Government of the Hashemite Kingdom of Jordan :

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

Considering that the Jordanian dinars 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 Jordan 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

SALES FOR JORDANIAN DINARS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Hashemite Kingdom of Jordan of purchase authorizations and to the availability of the specified commodities under the Act at the time of exportation, the Government of the United States of America undertakes to finance the sales for Jordanian dinars, to purchasers

¹ Came into force on 5 April 1966, upon signature, in accordance with article VI.

authorized by the Government of the Hashemite Kingdom of Jordan, of the following agricultural commodities in the amounts indicated :

<i>Commodity</i>	<i>Supply Period</i>	<i>Export Market Value (millions)</i>
Wheat/wheat flour	United States Fiscal Year 1966	\$1.5
	TOTAL	\$1.5

2. Applications for purchase authorizations will be made within 90 days after 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 Jordanian dinars accruing from such sale, and other relevant matters.

The Government of the United States of America will finance ocean transportation costs incurred pursuant to this agreement only to the extent that such costs are higher than otherwise would be the case by reason of the requirement that approximately 50 percent by tonnage of the commodities be transported in United States flag vessels. The balance of ocean freight charges for transportation of commodities required to be carried in United States flag vessels shall be paid in dollars by the Government of the Hashemite Kingdom of Jordan. The Government of the Hashemite Kingdom of Jordan will not be required to deposit Jordanian dinars for ocean transportation financed by the Government of the United States of America.

Promptly after contracting for United States flag shipping space required to be used, and in any event not later than presentation of vessel for loading, the Government of the Hashemite Kingdom of Jordan will open a letter of credit, in dollars, for the estimated cost of ocean transportation for commodities carried in United States flag vessels.

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 JORDANIAN DINARS

The Jordanian dinars 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 of priority as the Government of the United States of America shall determine, for the following purposes in the proportions shown.

A. For United States expenditures under subsections (a), (b), (c), (d), (f) and (h) through (t) of Section 104 of the Act, or under any of such subsections, sixty percent of the Jordanian dinars accruing pursuant to this agreement.

B. For a loan to the Government of the Hashemite Kingdom of Jordan under Section 104 (g) of the Act for financing such projects to promote economic development, including projects not theretofore included in plans of the Government of the Hashemite Kingdom of Jordan, as may be mutually agreed, forty percent of the Jordanian dinars accruing pursuant to this agreement. The terms and conditions of the loan and other provisions will be set forth in a separate loan agreement. In the event that agreement is not reached on the use of the Jordanian dinars for loan purposes under Section 104 (g) of the Act within three years from the date of this agreement, the Government of the United States of America may use the Jordanian dinars for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF JORDANIAN DINARS

1. The Government of the Hashemite Kingdom of Jordan will deposit to the account of the Government of the United States of America an amount of Jordanian dinars equivalent to the dollar sales value of the commodities financed by the Government of the United States of America converted into Jordanian dinars at the applicable rate of exchange in effect on the date of dollar disbursement by the Government of the United States of America.

- (a) If a unitary exchange rate system is maintained by the Government of the Hashemite Kingdom of Jordan, the applicable rate will be the rate at which the central monetary authority of Jordan, or its authorized agent, sells foreign exchange for Jordanian dinars.
- (b) If a unitary rate system is not maintained, the applicable rate will be the rate mutually agreed upon by the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan.

2. The Government of the United States of America shall determine which of its funds shall be used to pay any refunds of Jordanian dinars which become due under this agreement or which are due or become due under any prior agricultural commodities agreement. A reserve will be maintained under this agreement for two years from the effective date of this agreement which may be used for the payment of such refunds. Any payment out of this reserve shall be treated as a reduction in the total Jordanian dinars accruing to the Government of the United States of America under this agreement.

Article IV

GENERAL UNDERTAKINGS

1. The Government of the Hashemite Kingdom of Jordan will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where 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 from the effective date of this agreement and during the remainder of United States Fiscal Year 1966 or in any subsequent United States Fiscal Year during which Title I commodities are being imported (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 all sales and 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 tenders to function effectively and will use their best endeavors to develop and expand continuous market demand for agricultural commodities.

4. The Government of the Hashemite Kingdom of Jordan will furnish quarterly information on the progress of the program, particularly with respect to the arrival and condition of commodities; provisions for the maintenance of usual marketings; and information relating to imports and 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

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 Amman in duplicate this fifth day of April, 1966.

For the Government
of the United States of America :

Robert G. BARNES
Ambassador

For the Government
of the Hashemite Kingdom of Jordan :

Hatem ZU'BI
Minister of National Economy

EXCHANGE OF NOTES

I

The American Ambassador to the Jordan Minister of National Economy

EMBASSY OF THE UNITED STATES OF AMERICA

Amman, April 5, 1966

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement between our two Governments signed today and to inform you of my Government's understanding of the following :

1. The Government of the Hashemite Kingdom of Jordan agrees to limit exports of wheat, including durum wheat, or wheat products including semolina or pasta products beginning with the effective date of this agreement and during the remainder of United States fiscal year 1966 or in any subsequent United States fiscal year during which wheat/wheat flour under the agreement is being imported, to the following destinations and amounts : (a) amounts traditionally supplied to northern portions of Saudi Arabia, and (b) insignificant amounts to other countries of the Jordan region.

2. With regard to paragraph 4 of Article IV of the agreement the Government of the Hashemite Kingdom of Jordan 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 the Hashemite Kingdom of Jordan 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 showing progress made toward fulfilling commitments on usual marketings.

The Government of the Hashemite Kingdom of Jordan further agrees that the above statements will be 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 this agreement.

3. The Government of the Hashemite Kingdom of Jordan agrees that Jordanian dinars received by the Government of the United States of America under this agreement may be deposited in accounts in banks in Jordan selected by the Government of the United States of America, subject to the payment of interest thereon.

4. The Government of Jordan will provide, upon request of the Government of the United States of America, facilities for conversion into other non-dollar currencies of the following amounts of Jordanian dinars : (1) for the purposes of section 104 (a) of the Act, \$30,000 worth or two percent of Jordanian dinars accruing under the Agreement, as proceeds from this sale and payments from 104 (g) loans (including principal and interest), whichever is greater, to finance agricultural market development activities in other countries; and (2) for purposes of section 104 (h) of the Act and for the purposes of the Mutual Educational and Cultural Exchange Act of 1961, up to \$25,000 worth of Jordanian dinars to finance international travel of Jordanian and United States grantees under international educational and cultural exchange programs.

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

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

Robert G. BARNES

His Excellency Hatem Zu'bi
Minister of National Economy
Hashemite Kingdom of Jordan
Amman

II

The Jordan Minister of National Economy to the American Ambassador

MINISTRY OF NATIONAL ECONOMY
SUPPLY IMPORT & EXPORT DEPT.
AMMAN

Ref. No. 2399

April 5th, 1966

Excellency :

I have the honor to acknowledge receipt of your excellency's note which reads as follows :

[See note I]

I wish to confirm the concurrence of my Government with the contents thereof.

Accept Excellency the renewed assurances of my highest consideration.

Hatem ZU'BI
Minister of National Economy
Supply, Import & Export Dept.

His Excellency Robert G. Barnes
Ambassador
United States of America

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
JORDAN AMENDING THE AGRICULTURAL COM-
MODITIES AGREEMENT OF 5 APRIL 1966.² AMMAN,
25 AUGUST 1966

I

The American Ambassador to the Jordan Minister of National Economy

EMBASSY OF THE UNITED STATES OF AMERICA

Amman, August 25, 1966

Excellency :

I have the honor to refer to recent discussions between representatives of our two governments regarding the desirability of amending the Agricultural Commodities Agreement concluded April 5, 1966² by adding commodities in the amount of \$4.4 million and adjusting percentages specified in Article II of the Agreement for uses of Jordanian Dinars so that seventy percent Jordanian Dinars accruing to the Government of the United States of America as a result of this amendment will be used for the purpose of loans to the Government of Jordan under Section 104 (g) of the Act and thirty percent will be used for other purposes specified in Article II. In order to effect the foregoing, I propose that the Agreement be amended as follows :

1. In Article I, paragraph 1, add under appropriate columns "wheat/wheat flour, United States Fiscal Year 1967 \$2.5 million," "Feedgrains, United States Fiscal Year 1967 \$1.9 million" and increase total value of Agreement to "\$5.9 million".

2. In Article II, paragraph A, delete "sixty" and insert "37.6". In paragraph B, delete "forty" and insert "62.4".

3. In Article IV, paragraph 3, change "tenders" to "traders".

4. In notes exchanged April 5, 1966 :

(A) Insert the following as new numbered paragraph 2 and renumber subsequent paragraphs accordingly : "With regard to paragraphs 1 and 2 of Article IV of the Agreement the Government of the Hashemite Kingdom of

¹ Came into force on 25 August 1966 by the exchange of the said notes.

² See p. 240 of this volume.

Jordan will not, without specific approval of the Government of the United States of America, export any feedgrains, including barley, corn, grain sorghums, oats and rye, or products processed therefrom, during any United States Fiscal Year in which feedgrains provided under this Agreement are being imported. ”

(B) Substitute \$118,000 for \$30,000 and \$50,000 for \$25,000 in renumbered paragraph 5 (1).

(C) Insert the following as new numbered paragraph 6 :

“ The Government of the United States of America may utilize Jordanian Dinars in Jordan to pay for travel which is part of trip in which a traveler travels from, to or through Jordan. It is understood that these funds are intended to cover only travel by persons who are travelling on official business for the Government of the United States of America. It is further understood that travel for which Jordanian dinars may be utilized shall not be limited to services provided by Jordanian transportation facilities. ”

I have the honor to propose that this Note and your reply shall constitute an agreement between our two governments which shall enter into force on the date of your reply.

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

Findley BURNS, Jr.

His Excellency Hatem Zu'bi
Minister of National Economy
Hashemite Kingdom of Jordan
Amman

II

The Jordan Minister of National Economy to the American Ambassador

MINISTRY OF NATIONAL ECONOMY
SUPPLY IMPORT & EXPORT DEPT.
AMMAN

25 August 1966

Excellency :

I have the honor to acknowledge receipt of your excellency's note which reads as follows :

[See note I]

I am pleased to confirm my Government's Agreement to the contents of the above note.

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

Hatem S. ZU'BI
Minister of National Economy

His Excellency Findley Burns, Jr.
Ambassador
United States of America