

No. 9604

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**UNITED STATES OF AMERICA  
and  
COLOMBIA**

**Agricultural Commodities Agreement under Title IV of  
the Agricultural Trade Development and Assistance  
Act, as amended (with exchange of notes). Signed at  
Bogotá on 10 March 1966**

*Authentic texts : English and Spanish.*

*Registered by the United States of America on 6 June 1969.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
COLOMBIE**

**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 Bogotá le  
10 mars 1966**

*Textes authentiques : anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 6 juin 1969.*

AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup> BETWEEN  
THE GOVERNMENT OF THE UNITED STATES OF  
AMERICA AND THE GOVERNMENT OF COLOMBIA  
UNDER TITLE IV OF THE AGRICULTURAL TRADE  
DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED

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

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 Colombia ;

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 ;

Recognizing further that by providing such commodities to Colombia under long-term supply and credit arrangements, the resources and manpower of Colombia 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 Colombia 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 the annual review provided for below, to the issuance by the Government of the United States of America and acceptance by the

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<sup>1</sup> Came into force on 10 March 1966 by signature, in accordance with article V.

Government of Colombia 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 periods specified 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 Colombia, of the following commodities :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approx. Max. Quantity MT</i>	<i>Max. Export Market Value to be financed (1,000)</i>
Wheat and/or wheat flour . . . . .	US FY <sup>1</sup> 1966	95,000	\$5,520
Tallow . . . . .	US FY 1966	4,000	839
Cottonseed oil and/or soybean oil	US FY 1966	3,000	969
Ocean transportation (estimate).			591
		TOTAL	\$7,919
Wheat and/or wheat flour . . . . .	US FY 1967	110,000	\$6,391
Tallow . . . . .	US FY 1967	4,000	839
Cottonseed oil and/or soybean oil	US FY 1967	3,000	969
Ocean Transportation (estimate)			650
		TOTAL	\$8,849

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 may require, so that the quantities of commodities financed will not substantially exceed the above-specified approximate maximum quantities.

2. Applications for credit purchase authorizations for United States Fiscal Year 1966 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.

<sup>1</sup> The Spanish text contains the following footnote:  
[TRANSLATION] United States Fiscal year: 1 July-30 June.

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.

4. With respect to the above commodities the two Governments will review annually, supply and requirement factors and related matters, including normal patterns of trade with countries friendly to the United States of America, and agree upon any necessary adjustments of the composition and the approximate maximum quantities of the commodities specified in paragraph 1 of this Article, to be supplied and export market value to be financed for any subsequent period.

## *Article II*

### CREDIT PROVISIONS

1. The Government of Colombia 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 amount of the principal due for commodities delivered in each calendar year under this Agreement, including 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. 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 due the Government of the United States of America for commodities delivered in each calendar year shall begin on the date of last delivery of commodities in such calendar year and be paid annually beginning one year from 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 the last delivery of commodities in such calendar year to the due date

of the first annual payment of principal and at 2½ percent per annum thereafter.

4. All payments shall be made in United States dollars and the Government of Colombia shall deposit, or cause to be deposited, such payment 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 Colombia 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 Colombia will furnish information quarterly on the progress of the program, particularly with respect to the arrival and conditions 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 carried out 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 Bogotá in duplicate this tenth day of March, 1966.

For the Government  
of the United States of America :

Covey T. OLIVER

For the Government  
of Colombia :

J. M. SALAZAR

## EXCHANGE OF NOTES — ÉCHANGE DE NOTES

## I

*The American Ambassador to the Colombian Minister of Agriculture*

March 10, 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. With regard to paragraph 4 of Article III of the Agreement, the Government of Colombia agrees to furnish the following information quarterly 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 the commodity was 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 Colombia agrees to furnish quarterly : (a) a statement of measures it has taken to prevent the reexport or transshipment of the commodities furnished, (b) assurances that the program has not resulted in the increased availability of the same or like commodities to other nations and (c) a statement showing progress made toward fulfilling commitments on usual marketings. The Government of Colombia 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 the Agreement.

2. As agreed in conversations which have taken place between representatives of our two Governments, the pesos resulting from the sale of commodities financed under the Agreement will be deposited by the Government of Colombia in a special account in the Bank of the Republic in the name of the Government of Colombia and will be used by the Government of Colombia for economic and social development programs according to the objectives of the Act of Bogotá <sup>1</sup> and the Charter of Punta del Este <sup>2</sup> as may be mutually agreed upon by our two Governments.

3. Any pesos resulting from the sale in Colombia of the commodities financed under the Agreement which are loaned by the Government of Colombia to private or non-governmental organizations shall be loaned at

<sup>1</sup> United States of America : *Department of State Bulletin*, Oct. 3, 1960, p. 537.

<sup>2</sup> *Ibid.*, Sept. 11, 1961, p. 463.

rates of interest approximately equivalent to those charged for comparable loans in Colombia.

4. The Government of Colombia will furnish upon request of the Government of the United States of America, reports showing the total pesos available to the Government of Colombia from the sale of the commodities, a list of the projects being undertaken, and related information, including the name and location of and the amount invested in each project and its status of completion.

5. In expressing its agreement with the Government of the United States of America that the delivery of commodities pursuant to the Agreement should not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly nations, the Government of Colombia agrees that, in addition to the commodities to be purchased under the terms of this Agreement, Colombia will procure and import with its own resources from free world sources, including the United States of America:

a. during United States Fiscal Year 1966, at least :

- (1) 110,000 metric tons of wheat and/or wheat flour in terms of grain equivalent ;
- (2) 19,000 metric tons of tallow, of which not less than 11,000 metric tons shall be from the United States of America ;
- (3) 25,000 metric tons of edible oil and/or oil seed equivalent of which not less than 6,000 metric tons shall be from the United States of America ; and

b. during United States Fiscal Year 1967 subject to adjustment at Annual Review conducted under Article I 4, at least :

- (1) 115,000 metric tons of wheat and/or wheat flour in terms of grain equivalent ;
- (2) 21,000 metric tons of tallow, of which not less than 11,500 metric tons shall be from the United States of America ;
- (3) 25,000 metric tons of edible oil and/or oil seed equivalent of which not less than 6,000 metric tons shall be from the United States of America.

6. The Government of Colombia agrees that during United States Fiscal Years 1966 and 1967, it will not export any edible vegetable oils, oil-seeds or like commodities.

7. If the Government of the United States of America authorizes the delivery of commodities under the Agreement after the expiration of the supply periods specified in the Agreement, the level of additional usual marketing requirements, export limitations, and offset purchases, if any, to apply during such additional supply periods shall be determined at the time of the Government of Colombia's request for an extension.



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

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

Covey T. OLIVER

His Excellency José Mejía Salazar  
Minister of Agriculture  
Bogotá

## II

*The Colombian Minister of Agriculture to the American Ambassador*

[SPANISH TEXT — TEXTE ESPAGNOL]

REPUBLICA DE COLOMBIA

MINISTERIO DE AGRICULTURA  
PRIVADO

02284

Bogotá D.E., Marzo 10 de 1.966

Señor Embajador :

Tengo el honor de referirme a su muy atenta nota del día de hoy, relacionada con el Convenio de Excedentes Agrícolas, firmado entre los Gobiernos de Colombia y Estados Unidos en esta misma fecha, para expresarle la conformidad de mi Gobierno con los términos de la nota a que he aludido.

Sea esta la oportunidad de renovar al Señor Embajador el testimonio de mi respeto y amistad.

J. M. SALAZAR  
Ministro de Agricultura

A Su Excelencia Sr. Covey T. Oliver  
Embajador de los Estados Unidos de América  
La Ciudad

[TRANSLATION <sup>1</sup> — TRADUCTION <sup>2</sup>]

REPUBLIC OF COLOMBIA

MINISTRY OF AGRICULTURE  
PRIVATE CORRESPONDENCE

No. 02284

Bogotá, D.E., March 10, 1966

Mr. Ambassador :

I have the honor to refer to your note of today's date, with regard to the Agricultural Commodities Agreement signed by the Governments of Colombia and of the United States on this same date, and to inform you of my Government's agreement with the terms of the aforesaid note.

Accept, Mr. Ambassador, the renewed assurances of my highest consideration and esteem.

J. M. SALAZAR  
Minister of Agriculture

His Excellency Covey T. Oliver  
Ambassador of the United States of America  
Bogotá

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<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.