

No. 9679

**UNITED STATES OF AMERICA
and
MOROCCO**

**Exchange of notes constituting an agreement relating to
the sales of agricultural commodities (with related
notes). Rabat, 21 april 1966**

Authentic texts: English and French.

Registered by the United States of America on 2 July 1969.

**ÉTATS-UNIS D'AMÉRIQUE
et
MAROC**

**Échange de notes constituant un accord relatif à la vente
des produits agricoles (avec notes connexes). Rabat,
21 avril 1966**

Textes authentiques: anglais et français.

Enregistré par les États-Unis d'Amérique le 2 juillet 1969.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND MOROCCO RELATING TO THE SALES OF AGRICULTURAL COMMODITIES

ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE LES ÉTATS-UNIS D'AMÉRIQUE ET LE MAROC RELATIF À LA VENTE DES PRODUITS AGRICOLES

I

The American Ambassador to the Moroccan Minister of Foreign Affairs

L'Ambassadeur des États-Unis d'Amérique au Ministre des affaires étrangères du Maroc

N° 604

Rabat, April 21, 1966

Excellency:

I have the honor to confirm, on behalf of the Government of the United States of America, that representatives of our two Governments have reached an agreement which reads as follows:

AGRICULTURAL COMMODITIES AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF MOROCCO UNDER TITLE IV OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED

The Government of the United States of America and the Government of the Kingdom of Morocco:

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 Morocco;

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

¹ Came into force on 21 April 1966 by the exchange of the said notes.

¹ Entré en vigueur le 21 avril 1966 par l'échange desdites notes.

can be utilized more effectively for economic development without jeopardizing meanwhile the 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 Morocco 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 Kingdom of Morocco 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 Morocco, of the following commodities :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity</i>	<i>Maximum Export Market Value to be Financed</i>
Wheat and/or wheat flour.....	United States Fiscal Year 1966	50,000 Metric Tons	\$2,902,800
Ocean transportation (estimated)			239,900
		TOTAL	\$3,142,700

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 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 Kingdom of Morocco 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 the applicable related ocean transportation costs, 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 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 the last delivery of commodities in such calendar year and be paid annually beginning one year from 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 2 ½ percent per annum thereafter.

4. All payments shall be made in United States dollars and the Government of the Kingdom of Morocco 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 Kingdom of Morocco 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 other 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 the Kingdom of Morocco 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 carried out pursuant to this Agreement.

I have the honor to propose that this note and Your Excellency's reply confirming the foregoing in behalf of the Government of the Kingdom of Morocco 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.

Henry J. TASCA

His Excellency Minister of Foreign Affairs
Rabat

[TRADUCTION — TRANSLATION]

N° 604

Rabat, le 21 avril 1966

Monsieur le Ministre,

[*Voir note II*]

Veillez agréer, etc.

Henry J. TASCA

Son Excellence M. le Ministre des affaires étrangères
Rabat

habituels des États-Unis d'Amérique pour ces produits, ou n'affectent pas indûment les prix mondiaux de ces produits agricoles, ou n'entravent pas les pratiques commerciales d'usage avec les pays amis des États-Unis d'Amérique.

3. Aux fins d'application du présent Accord, les deux Gouvernements chercheront à faire prévaloir des conditions commerciales permettant aux négociants du secteur privé d'exercer leur commerce sans entrave, ils s'efforceront en outre de créer des nouveaux marchés pour les produits agricoles et d'élargir constamment ces marchés.

4. Le Gouvernement du Royaume du Maroc fournira des renseignements trimestriels sur l'état d'avancement du programme, notamment en ce qui concerne l'arrivée et l'état des produits, les mesures prises pour maintenir les marchés habituels, ainsi que des renseignements sur l'importation et l'exportation de ces produits ou de produits similaires.

Article IV

CONSULTATIONS

À la requête de l'un d'eux, les deux Gouvernements se consulteront en ce qui concerne toute question relative à l'application du présent Accord ou à l'exécution des dispositions prévues en vertu du présent Accord.

J'ai l'honneur de proposer que la présente note et la réponse affirmative de Votre Excellence, au nom du Gouvernement du Royaume du Maroc, constituent un Accord entre nos deux Gouvernements à ce sujet, accord qui entrera en vigueur à la date de la réponse de Votre Excellence.

J'ai l'honneur de vous donner l'accord de mon Gouvernement sur ce qui précède.

Veillez agréer, Monsieur l'Ambassadeur les assurances renouvelées de ma très haute considération.

M. Abdellah CHORFI

Monsieur l'Ambassadeur des États-Unis d'Amérique
au Maroc
Rabat

[TRANSLATION ¹ — TRADUCTION ²]

Rabat, April 21, 1966

Mr. Ambassador:

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

[See note I]

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

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

I have the honor to inform you of my Government's approval of the foregoing.

Please accept, Excellency, the renewed assurances of my very high consideration.

M. Abdellah CHORFI
Ambassador of the United States of America to Morocco
Rabat

RELATED NOTES — NOTES CONNEXES

I

The American Ambassador to the Moroccan Minister of Foreign Affairs *L'Ambassadeur des États-Unis d'Amérique au Ministre des affaires étrangères du Maroc*

No. 605

Rabat, April 21, 1966

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement between our two Governments effected by an exchange of notes 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 the Kingdom of Morocco 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 the Kingdom of Morocco agrees to furnish quarterly: (a) a statement of measures it has taken to prevent the re-export 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 and offset purchases. The Government of the Kingdom of Morocco 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 dirhams resulting from the sale of commodities financed under the Agreement will be deposited by the Government of the Kingdom

of Morocco * and will be used by the Government of the Kingdom of Morocco for economic and social development programs as may be mutually agreed upon by our two Governments.

3. Any dirhams resulting from the sale in Morocco of the commodities financed under the Agreement which are loaned by the Government of the Kingdom of Morocco to private or nongovernmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in Morocco.

4. The Government of the Kingdom of Morocco agrees to furnish the Government of the United States of America, upon request, reports showing the total dirhams available to the Government of the Kingdom of Morocco from the sale of the commodities, a list of the projects being undertaken, and related information including the name and location of each project, the amount invested in it, 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 the Kingdom of Morocco agrees that, in addition to the commodities to be purchased under the terms of agricultural commodities agreements between our two Governments, Morocco will procure and import with its own resources from the United States of America and countries friendly to it during the United States fiscal year 1966, at least 125,000 metric tons of wheat and/or wheat flour on a grain equivalent basis. If the delivery of commodities under the Agreement has not been completed by June 30, 1966, the level of usual marketing requirements, if any, to apply during such additional supply period as may be granted by the Government of the United States of America shall be determined at the time of the request by the Government of the Kingdom of Morocco for an extension.

6. The Government of the Kingdom of Morocco agrees to prohibit the export of wheat, including durum wheat, or wheat products, and including semolina or pasta products, during fiscal year 1966 or in any United States fiscal year during which the wheat and/or wheat flour is being imported under the Agreement.

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

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

Henry J. TASCA

His Excellency
Minister of Foreign Affairs
Rabat

* According to the information provided by the Government of the United States, the English text should read: "by the Government of the Kingdom of Morocco in a special account in the name of the Government of Morocco".

D'après les renseignements fournis par le Gouvernement des États-Unis le passage suivant a été omis dans le texte de l'Accord: [Traduction du Secrétariat — Translation by the Secretariat]: « à un Compte spécial au nom du Gouvernement du Royaume du Maroc ».

J'ai l'honneur de vous faire part de l'Accord de mon Gouvernement sur ce qui précède.

Veillez agréer, Monsieur l'Ambassadeur, les assurances renouvelées de ma très haute considération.

M. Abdellah CHORFI

Monsieur l'Ambassadeur des États-Unis d'Amérique au Maroc
Rabat

[TRANSLATION ¹ — TRADUCTION ²]

Rabat, April 21, 1966

Excellency :

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

[See note I]

I have the honor to inform you of my Government's approval of the foregoing.

Please accept, Excellency, the renewed assurances of my very high consideration.

M. Abdellah CHORFI

Ambassador of the United States of America to Morocco
Rabat

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

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