

No. 9917

**UNITED STATES OF AMERICA
and
INDIA**

Supplementary Agreement for sales of agricultural commodities (with annexes). Signed at New Delhi on 12 September 1967

Authentic text: English.

Registered by the United States of America on 1 October 1969.

**ÉTATS-UNIS D'AMÉRIQUE
et
INDE**

Accord supplémentaire relatif à la vente de produits agricoles (avec annexes). Signé à New Delhi le 12 septembre 1967

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 1^{er} octobre 1969.

SUPPLEMENTARY AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF INDIA FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of India, as a second supplement to the Agreement for Sales of Agricultural Commodities between the two Governments signed on February 20, 1967² (hereinafter referred to as the February Agreement), have agreed to the sales of commodities specified below. This supplementary agreement shall consist of the Preamble, Parts I and III, and the Local Currency Annex of the February Agreement, together with the Convertible Local Currency Credit Annex of the June 24, 1967 Agreement³ and the following Part II :

PART II

PARTICULAR PROVISIONS

Item I. *Commodity Table*

<i>Commodity</i>	<i>Supply Period (United States Fiscal Year)</i>	<i>Approximate Maximum Quantity</i>	<i>Maximum Export Market Value (Millions)</i>
A. Convertible Local Currency Credit			
Wheat and/or wheat flour	1968	274,000 Metric Tons	\$17.0
Ocean Transportation (estimated) .			2.0
		Subtotal :	\$19.0
B. Local Currency Terms			
Wheat and/or wheat flour	1968	626,000 Metric Tons	\$39.7
Grain Sorghums	1968	100,000 Metric Tons	5.0
Soybean and/or Cotton-seed oil . .	1968	70,000 Metric Tons	16.5
Cotton (Extra long staple)	1968	30,000 Bales	6.3
		Subtotal :	\$67.5
		TOTAL :	\$86.5

¹ Came into force on 12 September 1967 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 688, No. I-9850.

³ *Ibid.*, vol. 692, No. I-9906.

Item II. *Payment Terms*

A. Convertible Local Currency Credit

1. Initial Payment — None
2. Number of Installment Payments — 31
3. Amount of Each Installment Payment — Approximately equal annual amounts
4. Due Date of First Installment Payment — 10 years after date of last delivery of commodities in each calendar year
5. Initial Interest Rate — 1 percent
6. Continuing Interest Rate — 2 ½ percent

B. Local Currency

1. Proportion of local currency accruals indicated for specified purposes :
 - a) United States expenditure — 8 percent
 - b) Section 104 (e) — 5 percent
 - c) Section 104 (f) loans — 87 percent, subject to reduction as may be necessary to provide the local currencies required for United States expenditures under a. above. These funds are for financing such projects as are mutually agreed by the two Governments, but not less than 20 percent of the total local currencies accruing to the Government of the exporting country from sales of commodities under this agreement shall be used for the self-help measures described in Item V.
2. Convertibility
 - a) Section 104 (b) (1) purposes — \$1,350,000
 - b) Section 104 (b) (2) purposes — \$1,010,000

Item III. *Usual Marketing Table*

<i>Commodity</i>	<i>Import Period (United States Fiscal Year)</i>	<i>Usual Marketing Requirement</i>
Cotton	1968	350,000 (US) Bales
Wheat and/or wheat flour	1968	200,000 Metric Tons

Item IV. *Export Limitations*

A. Export Limitation Period : The export limitation period for commodities the same as or like any particular commodity financed under this agreement (other than vegetable oil) shall be the period beginning on the date of this agreement and ending on the final date on which the relevant commodities financed under this agreement are being imported and utilized.

B. Permissible Exports : During United States Fiscal Year 1968, and during any subsequent United States Fiscal Year in which vegetable oils are being imported or utilized under this agreement, Indian exports of edible vegetable oil and oil equivalent of peanuts exported for crushing, excluding hand-picked selected peanuts for direct human consumption (oil value calculated at 69 percent of value of peanuts), shall be deemed consistent with the terms of this agreement, provided that the Government of India ensures that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantity of vegetable oil and oil equivalent of copra (oil value calculated at 92 percent of value of copra) having C.I.F. value equal to F.O.B. value of Indian exports.

India will not export extra long staple cotton, either of domestic or foreign origin, during United States Fiscal Year 1968 or during any subsequent United States Fiscal Year in which extra long staple cotton under this agreement is being imported.

Should Indian exports of cotton textiles made from extra long staple cotton during any United States Fiscal Year that extra long staple cotton is being imported under this Agreement exceed the average level of such exports during United States Fiscal Years 1963, 1964 and 1965, the Government of India will procure and import with its own resources from the United States an equivalent weight of extra long staple raw cotton content of such excess exports of textiles made from extra long staple cotton. These additional imports are to be over and above established usual marketings for raw cotton specified in the usual marketing table above.

Item V. *Self-Help Measures*

The February and June Agreements contain a description of the programs related to the production of food which are being initiated or planned by the Government of India. The Government of India continues to accord high priority to the execution of these programs.

Item VI. *Proceeds to Constitute Resources for Economic Development*

The proceeds of commodities financed under convertible local currency credit terms will constitute an additional resource for financing India's annual and long-range economic development plans, including the self-help measures set forth in the February and June Agreements.

Item VII. *Other Provisions*

In addition to any local currency authorized for sale under Section 104 (*j*) of the Act, the Government of the exporting country may utilize any local currency in the importing country to pay for travel which is part of a trip in which the traveler travels from, to or through the importing country. These funds (but not the sales under Section 104 (*j*)) are intended to cover only travel by persons who are traveling on official business for the Government of the exporting country or in connection with activities financed by the Government of the exporting country. The travel for which rupees may be utilized shall not be limited to services provided by the transportation facilities of the importing country.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement.

DONE at New Delhi, India, in duplicate, this twelfth day of September, 1967.

For the Government
of the United States
of America :

Chester BOWLES

For the Government
Of India :

P. Govindan NAIR
