

No. 9988

**UNITED STATES OF AMERICA
and
INDONESIA**

**Supplementary Agreement for sales of agricultural commodities
(with annex). Signed at Djakarta on 15 February 1968**

Authentic text: English.

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

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

**Accord supplémentaire relatif à la vente de produits agricoles
(avec annexe). Signé à Djakarta le 15 février 1968**

Texte authentique: anglais.

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

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

The Government of the United States of America and the Government of The Republic of Indonesia, as a third supplement to the Agreement for sales of Agricultural Commodities between the two Governments signed on September 15, 1967² (hereinafter referred to as the September Agreement), have agreed to the sales of commodities specified below. This supplementary agreement shall consist of the Preamble, Parts I and III, and the Convertible Local Currency Credit Annex of the September Agreement, together with the following Part II.

PART II

PARTICULAR PROVISIONS

Item I. *Commodity Table:*

| <i>Commodity</i> | <i>Supply Period Calendar Year</i> | <i>Approximate Maximum Quantity</i> | <i>Maximum Export Market Value</i> |
|---|--|---|--|
| Rice | 1968 | 50,000 Metric Tons | \$10,000,000 |
| Raw Cotton (for processing in Indonesia) | 1968 | 77,000 Bales | 10,400,000 |
| Bulgur | 1968 | 100,000 Metric Tons | 8,800,000 |
| Wheat/Wheat Flour. | 1968 | 27,000 Metric Tons | 2,000,000 |
| Ocean Transportation (estimated) | | | 3,800,000 |
| | | | <hr/> \$35,000,000 |

¹ Came into force on 15 February 1968 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 693, No. 1 - 9918.

Item II. *Payment Terms:*

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—2 per cent.
6. Continuing Interest Rate—2½ per cent.

Item III. *Usual Marketings:* Waived.

Item IV. *Export Limitations:*

A. With regards to each commodity financed under this agreement, the export limitation period for the same or like commodities shall be the period beginning on the date of this agreement and ending on the final date on which the commodity financed under this agreement is imported and utilized.

B. For the purposes of Part I, Article III, A, 3, of the agreement, the commodities considered to be the same as, or like, the commodities imported under this agreement are: raw cotton and/or cotton textiles except batiks and similar handicraft products; wheat and wheat products; rice in the form of paddy, brown or milled rice.

Item V. *Self-Help Measures:*

The Government of Indonesia accords high priority to increasing per capita production and to improving the means for the storage and distribution of food commodities, particularly rice. Specifically, the Government of Indonesia is undertaking to strengthen and supplement the self-help measures in the September 15, 1967 Sales Agreement by:

1. Assuring that prices received by farmers during the April-June harvest will be sufficient to encourage and reward the use of fertilizer, pesticides, improved seeds, and other production inputs;
2. Providing adequate financing to enable the maximum procurement of rice during the major harvest season, thereby strengthening producer prices and helping to meet year-round food distribution requirements;
3. Further expanding the BIMAS project through increased budget and administrative support in 1968;
4. Establishing fertilizer and pesticide production and import targets in order to rapidly expand their use; and
5. Expanding field testing and adaptive research on high-yielding seed varieties.

Item VI. *Economic Development Purposes for Which Proceeds Accruing to Importing Country are to be Used:*

For economic development purposes as may be mutually agreed upon including use for the self-help measures included in Item V.

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

DONE at Djakarta, in duplicate, this fifteenth day of February, 1968.

For the Government
of the United States of America:

Marshall GREEN

For the Government
of the Republic of Indonesia:

Adam MALIK