

No. 10062

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**UNITED STATES OF AMERICA  
and  
REPUBLIC OF CHINA**

**Agreement on the use of certain United States Government-owned  
new Taiwan dollars to accrue under Title I of the Agricultural  
Trade Development and Assistance Act of 1954, as amended.  
Taipei, 12 December 1967**

*Authentic texts: English and Chinese.*

*Registered by the United States of America on 1 December 1969.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
RÉPUBLIQUE DE CHINE**

**Accord sur l'utilisation, conformément aux dispositions du titre I  
de la loi de 1954 tendant à développer et à favoriser le com-  
merce agricole, tel qu'il a été modifié, de certaines sommes en  
nouveaux dollars de Taïwan appartenant au Gouvernement des  
États-Unis. Taïpeh, 12 décembre 1967**

*Textes authentiques: anglais et chinois.*

*Enregistré par les États-Unis d'Amérique le 1<sup>er</sup> décembre 1969.*

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF CHINA ON THE USE OF CERTAIN UNITED STATES GOVERNMENT-OWNED NEW TAIWAN DOLLARS TO ACCRUE UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED

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The Government of the United States of America and the Government of the Republic of China:

Recognizing that approximately One and One-Half Billion New Taiwan Dollars owned by the United States of America will accrue under the Agricultural Commodity Agreement of December 12, 1967;<sup>2</sup>

Considering that the intention of both countries in said Agreement was that up to 50 per cent of such New Taiwan Dollars be used by the Government of the Republic of China to supplement its international cooperation programs; and

Desiring to set forth understandings and procedures which will govern the use of such New Taiwan Dollars:

Have agreed as follows:

*Article I*

The Government of the United States, subject to the terms of this Agreement, will grant to the Government of the Republic of China up to 750,000,000 New Taiwan Dollars, but in no event more than 50 per cent of the New Taiwan Dollars, accruing under the Agricultural Commodity Agreement of December 12, 1967. These funds will be disbursed at least quarterly to the Government of the Republic of China for deposit pursuant to Article VIII herein, as necessary for expenditures on projects previously agreed upon by the Government of the United States and the Government of the Republic of China pursuant to Article VI herein. In implementing programs hereunder,

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<sup>1</sup> Came into force on 12 December 1967 by signature, in accordance with article XII.

<sup>2</sup> See p. 273 of this volume.

the Government of the Republic of China will give appropriate recognition to this contribution of the Government of the United States in a manner acceptable to both Governments.

#### *Article II*

The Government of the Republic of China agrees to use the New Taiwan Dollars granted under this Agreement solely for its international cooperation programs. These programs in developing friendly countries will emphasize self-help measures and technical cooperation in areas of increased food production, processing, distribution, and related programs.

#### *Article III*

The Government of the United States and the Government of the Republic of China agree to the location in Taipei by the Government of the United States of a United States Coordinator. The functions of the United States Coordinator will be to discuss with the Government of the Republic of China the use of these funds to ensure its coordination with the United States War on Hunger Program and other international cooperation programs in the cooperating countries and to agree with the Government of the Republic of China as set forth in Article VI.

#### *Article IV*

In planning projects, the Government of the Republic of China will take into consideration: (a) the self-help measures of the cooperating countries; (b) other similar projects in the cooperating countries; and (c) the development priorities of the cooperating countries.

#### *Article V*

The Government of the Republic of China will provide from its own resources 250 million New Taiwan Dollars for this program, and will continue to furnish the foreign exchange necessary for this program. These funds are to be in addition to the New Taiwan Dollars granted by the Government of the United States under the terms of this Agreement.

*Article VI*

The Government of the Republic of China will be responsible for administration and implementation of the program. The proposals of the Government of the Republic of China as to the cooperating countries, the projects to be undertaken in those countries, and the scope and emphasis of the program, including the relationship of the proposed activities to the programs of the United States Government and private organizations of the United States in those countries, will be agreed on with the Government of the United States prior to implementation of such proposals by the Government of the Republic of China.

*Article VII*

The Government of the United States and the Government of the Republic of China will consult, upon the request of either, regarding any matter relating to this Agreement.

*Article VIII*

The Government of the Republic of China will establish a special account in the Central Bank of China or the Bank of Taiwan in the name of the Government of the Republic of China (hereinafter called the "Exchange of Resources Special Account") in which will be deposited the funds granted pursuant to this Agreement. Expenditures may be made from this Exchange of Resources Special Account by the Government of the Republic of China for any program or project mutually agreed on by the two Governments in accordance with Article VI. Any unencumbered balance remaining in this account three years from the date of last delivery of commodities provided pursuant to the Agricultural Commodity Agreement of December 12, 1967, shall, unless the United States elects otherwise, revert to the Government of the United States and will be available to it for any United States uses.

*Article IX*

1. The Government of the Republic of China will communicate to the Government of the United States of America in a form and at intervals to be indicated by the latter after consultation with the Government of the Republic of China:

- (a) Detailed information regarding projects and programs funded under this Agreement or otherwise related thereto;

- (b) Full statements of operations under this Agreement, including a statement of the use of funds received hereunder, such statements to be made every six months; and
- (c) Any other relevant information which the Government of the United States may need to determine the nature and scope of operations, and to evaluate the effectiveness of the programs by the Government of the Republic of China with funds granted by this Agreement.

2. Upon request by the Government of the United States, the Government of the Republic of China will facilitate visits, at appropriate times, to the projects carried out under this grant by authorized representatives of the Government of the United States.

#### *Article X*

Upon request by the Government of the United States, the Government of the Republic of China will promptly redeposit in the Exchange of Resources Special Account from its own local currency resources, other than those provided under this grant, the entire amount (or such lesser amount as may be requested) that the Government of the United States determines has not been expended in accordance with the terms of this Agreement. Any such amounts not redeposited prior to closing of the Exchange of Resources Special Account under Article VIII, and any amounts so requested subsequent to such time, shall be refunded directly to the Government of the United States and be available to it for any United States uses.

#### *Article XI*

In the administration of the Exchange of Resources Special Account, the Government of the Republic of China will arrange that adequate audits are conducted or other controls are exercised to assure that approved activities are carried out, and objectives reached, in a manner consistent with these arrangements. The Government of the United States of America shall have the right to conduct end-use checks and independent audits with respect to the utilization of the Exchange of Resources Special Account.

#### *Article XII*

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 in duplicate in the English and Chinese languages, at Taipei this twelfth day of December, 1967, corresponding to the twelfth day of the twelfth month of the fifty-sixth year of the Republic of China.

For the Government  
of the United States of America:

Walter P. McCONAUGHY

For the Government  
of the Republic of China:

*[Illegible - Illisible]*<sup>1</sup>

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<sup>1</sup> Wei Tao-ming.