

No. 10150

**UNITED STATES OF AMERICA
and
CONGO
(DEMOCRATIC REPUBLIC)**

**Agreement for sales of agricultural commodities (with annex).
Signed at Kinshasa on 12 August 1968**

Authentic texts : English and French.

Registered by the United States of America on 5 January 1970.

**ÉTATS-UNIS D'AMÉRIQUE
et
CONGO
(RÉPUBLIQUE DÉMOCRATIQUE)**

**Accord pour les ventes de produits agricoles (avec annexe).
Signé à Kinshasa le 12 août 1968**

Textes authentiques : anglais et français.

Enregistré par les États-Unis d'Amérique le 5 janvier 1970.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERN- MENT OF THE DEMOCRATIC REPUBLIC OF THE CONGO FOR SALES OF AGRICULTURAL COMMOD- ITIES

The Government of the United States of America and the Government of the Democratic Republic of the Congo have agreed to the sales of agricultural commodities specified below. This agreement shall consist of the Preamble, Parts I and III of the March 15, 1967 agreement,² and the following Part II and Dollar Credit Annex.

PART II

PARTICULAR PROVISIONS

Item I. Commodity Table :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity</i>	<i>Export Market Value (1,000)</i>
Wheat flour . .	United States Fiscal Year 1969	21,000 Metric tons	\$2, 070
Ocean Transporta- tion (estimated)			370
TOTAL			\$2, 440

Item II. Payment Terms

Dollar Credit

1. Initial payment—none
2. Currency use payments—Such amount up to \$500,000, due and payable on or after August 31, 1968, as specified by the Government of the exporting country.
3. Number of installment payments of principal—19
4. Amount of each installment payment—subject to paragraph 1 of Item VII, first, \$100,000, balance, in 18 approximately equal annual amounts.

¹ Came into force on 12 August 1968 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 692, p. 119.

5. Due date of first installment payment—two years after date of last delivery of commodities in each calendar year.
6. Initial interest rate—2 percent
7. Continuing interest rate—2 $\frac{1}{2}$ percent

Item III. Usual Marketing Table :

<i>Commodity</i>	<i>Import Period</i>	<i>Usual Marketing Requirement</i>
Wheat and/or wheat flour (on a grain equivalent basis)	United States Fiscal Year 1969	8,000 metric tons

Item IV. Export Limitations :

A. With respect to each commodity financed under this agreement the export limitation period for the same or like commodities shall begin on the date of this agreement and end on the final date on which said commodity is imported or 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 financed under this agreement are : for wheat flour-wheat and wheat products.

Item V. Self-Help Measures :

The agreements signed March 15, 1967, as amended,¹ and December 11, 1967² contain descriptions of the programs related to the production of food which are being initiated or planned by the Government of the Democratic Republic of the Congo. The Government of the Democratic Republic of the Congo continues to accord high priority to the execution of these programs.

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

Proceeds accruing to the importing country from the sale of commodities financed under this agreement shall be used for :

1. The self-help measures referred to in Item V above,
2. Such other economic development purposes as may be agreed upon by the two Governments.

Item VII. Other Provisions :

1. Each currency use payment under Item II 2 of this Part shall, as of the date the payment is made, be treated as payment against any interest accrued as

¹ United Nations, *Treaty Series*, vol. 692, p. 119.

² *Ibid.*, vol. 701, p. 183.

of that date. The amount by which a currency use payment exceeds the interest accrued shall, as of that date, be treated as payment against consecutive installment payments of principal under Item II, beginning with the first such installment payment.

2. The Government of the exporting country elects, pursuant to paragraph 6 of the Annex, that all payments under Item II 2 of this Part be made in Congolese francs, which shall be used by the Government of the exporting country for payment of its obligations in the importing country.

3. Notwithstanding paragraph 4 of the Annex, the Government of the importing country may withhold from deposit in the special account referred to in such paragraph or may withdraw from amounts deposited therein so much of the proceeds accruing to it from the sale of commodities financed under this agreement as is equal to the amount of the currency use payments made by the Government of the importing country.

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

DONE at Kinshasa, in duplicate, this 12th day of August 1968.

For the Government
of the United States of America :

Robert H. McBRIDE
Ambassador

For the Government
of the Democratic Republic
of the Congo :

Justin-Marie BOMBOKO
Minister of Foreign Affairs
and Foreign Commerce

DOLLAR CREDIT ANNEX TO THE AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE
GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF THE CONGO
FOR SALES OF AGRICULTURAL COMMODITIES. SIGNED THIS 12th
DAY OF AUGUST, 1968

The following provisions apply with respect to the sales of commodities financed on dollar credit terms:

1. In addition to bearing the cost of ocean freight differential as provided in Part I, Article I F, of this agreement, the Government of the exporting country will finance on credit terms the balance of the costs for ocean transportation of those commodities that are required to be carried in United States flag vessels. The amount for ocean transportation (estimated) included in any commodity table specifying credit terms does not include the ocean freight differential to be borne by the Government of the exporting country and is only an estimate of the amount that will be necessary to cover the ocean transportation costs to be financed on credit terms by the Government of the exporting country.

If this estimate is not sufficient to cover these costs, additional financing on credit terms shall be provided by the Government of the exporting country to cover them.

2. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of:

- a. The dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the initial payment payable to the Government of the exporting country, and
- b. The ocean transportation costs financed by the Government of the exporting country in accordance with paragraph 1 of this annex (but not the ocean freight differential).

This principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

3. Interest on the unpaid balance of the principal due the Government of the exporting country for commodities delivered in each calendar year under this agreement shall begin on the date of last delivery of these commodities in such calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary date of such date of last delivery and thereafter payment of interest shall be made not later than the due date of each installment payment of principal. For the period from the date the interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

4. The Government of the importing country shall deposit the proceeds accruing to it from the sale of commodities financed under this agreement (upon the sale of the commodities within the importing country) in a special account in its name that will be used for the sole purpose of holding the proceeds covered by this paragraph. Withdrawals from this account shall be made for the economic development purposes specified in Part II of this agreement in accordance with procedures mutually satisfactory to the two Governments. The total amount deposited under this paragraph shall not be less than the local currency equivalent of the dollar disbursement by the Government of the exporting country in connection with the financing of the commodities, including the related ocean transportation costs other than the ocean freight differential. The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the Government of the importing

country to private or nongovernmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall furnish, in such form and at such times as may be requested by the Government of the exporting country, but not less frequently than on an annual basis, reports containing relevant information concerning the accumulation and use of these proceeds, including information concerning the programs for which these proceeds are used, and, when the proceeds are used for loans, the prevailing rate of interest for comparable loans in the importing country.

5. The computation of the initial payment under Part I, Article II, A of this agreement and all computations of principal and interest under numbered paragraphs 2 and 3 of this annex shall be made in United States dollars.

6. All payments shall be in United States dollars or, if the Government of the exporting country so elects,

- a.* The payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations in the importing country, or
 - b.* The payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the Government of the exporting country for payment of its obligations.
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