No. 10510

UNITED STATES OF AMERICA
and
TUNISIA

Agreement for sales of agricultural commodities (with annexes). Signed at Tunis on 18 December 1969

Authentic text: English.

Registered by the United States of America on 2 June 1970.

ÉTATS-UNIS D'AMÉRIQUE
et
TUNISIE

Accord relatif à la vente de produits agricoles (avec annexes). Signé à Tunis le 18 décembre 1969

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 2 juin 1970.

AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF TUNISIA FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of Tunisia have agreed to the sales of commodities specified below. This agreement shall consist of the Preamble, Parts I and III and the Dollar Credit Annex of the agreement signed March 17, 1967[2] together with the following Part II and Convertible Local Currency Credit Annex :

PART II

PARTICULAR PROVISIONS

Item I. Commodity Table :

Commodity	*Supply Period (United States Fiscal Year)*	*Approximate Maximum Quantity (Metric Tons)*	*Maximum Export Market Value (Thousands)*
A. *Dollar Credit Terms*			
Soybean/cottonseed oil . .	1970	17,500	$4,352
Wheat/wheat flour	1970	57,500	2,989
Barley	1970	15,000	593
		Subtotal	$7,934
B. *Convertible Local Currency Credit Terms*			
Soybean/cottonseed oil . .	1970	17,500	$4,352
Wheat/wheat flour. . . .	1970	57,500	2,989
Barley	1970	15,000	593
		Subtotal	$7,934
		TOTAL	$15,868

[1] Came into force on 18 December 1969 by signature, in accordance with part III (B).

[2] United Nations, *Treaty Series*, vol. 692, p. 155.

Item II. Payment Terms:

A. *Dollar Credit*

1. Initial Payment — 2.5 percent;
2. Number of Installment Payments — 19;
3. Amount of Each Installment Payment — approximately equal annual amounts;
4. Due Date of First Installment Payment — two years after date of last delivery of commodities in each calendar year;
5. Initial Interest Rate — 2 percent per annum;
6. Continuing Interest Rate — 3 percent per annum.

B. *Convertible Local Currency Credit Terms*

1. Initial Payment — 2.5 percent;
2. Number of Installment Payments — 31;
3. Amount of Each Installment Payment — approximately equal annual amounts;
4. Due Date of First Installment Payment — ten years after date of last delivery of commodities in each calendar year;
5. Initial Interest Rate — 2 percent per annum;
6. Continuing Interest Rate — 3 percent per annum.

Item III. Usual Marketing Table:

Commodity	*Import Period*	*Usual Marketing Requirement*
Edible vegetable oil and/or oilseeds in oil equivalent	United States Fiscal Year 1970	4,600 metric tons (of which at least 1,200 shall be imported from the United States of America)
Wheat and/or wheat flour on a grain equivalent basis	United States Fiscal Year 1970	75,000 metric tons
Feedgrains	United States Fiscal Year 1970	20,000 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 be the supply period specified for each commodity in Item I of this agreement and such longer period as such commodity is being imported or utilized, whichever is the later.

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 soybean/cottonseed oil — edible vegetable oils and oilseeds; for wheat and/or wheat flour — wheat including durum and wheat products, barley and barley malts; and for feedgrains — barley, corn, oats, grain sorghums and products thereof.

C. *Permissible Exports*

Commodity	*Quantity*	*Period During Which Such Exports Are Permitted*
Olive Oil	40,000 metric tons	United States Fiscal Year 1970

Item V. Self-Help Measures :

The agreement signed December 24, 1968 [1] contains descriptions of the program related to the production of food which are being initiated or planned by the Government of Tunisia. The Government of Tunisia 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 :

For purposes specified in Item V and for other economic development purposes as may be mutually agreed upon.

Item VII. Other Provisions :

Ocean Freight Financing

The Government of the exporting country shall bear the cost of the ocean freight differential for commodities it requires to be carried in U.S.

[1] United Nations, *Treaty Series*, vol. 714, p. 105.

flag vessels. But, notwithstanding the provisions of paragraph 1 of the Dollar Credit Annex and of paragraph 1 of the Convertible Local Currency Credit Annex, it shall not finance the balance of the cost of ocean transportation of such commodities.

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

DONE at Tunis, in duplicate, this 18th day of December, 1969.

For the Government of the United States of America :	For the Government of Tunisia :
John A. CALHOUN	Bechir ENNAJI

CONVERTIBLE LOCAL CURRENCY CREDIT ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF TUNISIA FOR SALES OF AGRICULTURAL COMMODITIES

The following provisions apply with respect to the sales of commodities financed on convertible local currency 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, 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 dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in such calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment and thereafter such interest shall be paid on the due date of the subsequent installment payments. 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.