

No. 10690

UNITED STATES OF AMERICA
and
ECUADOR

Agreement for sales of agricultural commodities (with annex). Signed at Quito on 30 June 1969

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Quito, 29 September and 1 October 1969

Exchange of notes constituting an agreement amending the above-mentioned Agreement of 30 June 1969, as amended. Quito, 4 March and 6 April 1970

Authentic texts: English and Spanish.

Registered by the United States of America on 1 September 1970.

ÉTATS-UNIS D'AMÉRIQUE
et
ÉQUATEUR

Accord relatif à la vente de produits agricoles (avec annexe). Signé à Quito le 30 juin 1969

Échange de notes constituant un accord portant modification de l'Accord susmentionné. Quito, 29 septembre et 1^{er} octobre 1969

Échange de notes constituant un accord portant modification de l'Accord susmentionné du 30 juin 1969, tel qu'il a été modifié. Quito, 4 mars et 6 avril 1970

Textes authentiques: anglais et espagnol.

Enregistrés par les États-Unis d'Amérique le 1^{er} septembre 1970.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE
UNITED STATES OF AMERICA AND THE GOVERN-
MENT OF THE REPUBLIC OF ECUADOR FOR SALES OF
AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Ecuador,

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country), and the Republic of Ecuador (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance, including efforts to meet their problems of food production and population growth;

Recognizing the policy of the exporting country to use its agricultural productivity to combat hunger and malnutrition in the developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage and distribution of agricultural food products, including the reduction of waste in all stages of food handling;

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act), and the measures that the two Governments will take individually and collectively in furthering the above-mentioned policies;

Have agreed as follows:

¹ Came into force on 30 June 1969 by signature, in accordance with article 12.

CHAPTER I

GENERAL PROVISIONS

Article 1

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this Agreement, including the applicable Annex which is an integral part of this Agreement.

B. The financing of the agricultural commodities listed in Chapter II of this Agreement will be subject to:

1. The issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and

2. The availability of the specified commodities at the time of exportation.

C. Application for purchase authorizations will be made within 90 days after the effective date of this Agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary Agreement, within 90 days after the effective date of such supplementary agreement. Purchase authorizations shall include provisions related to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this Agreement shall be made within the supply periods specified in the commodity table in Chapter II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this Agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Chapter II. The Government of the exporting country may limit the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Chapter II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting country

requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the Agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the commodities be transported in United States flag vessels. The Government of the importing country shall have no responsibility to reimburse the Government of the exporting country or to deposit any local currency of the importing country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, purchase, sale, and delivery of commodities under this Agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, purchase, sale, or delivery is unnecessary or undesirable.

Article 2

A. INITIAL PAYMENT

The Government of the importing country shall pay, or cause to be paid, such an initial payment as may be specified in Chapter II of this Agreement. The amount of this payment shall be that proportion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for initial payment in Chapter II and payment shall be made in United States dollars in accordance with the applicable purchase authorization.

B. TYPE OF FINANCING

Sales of the commodities specified in Chapter II shall be financed in accordance with the type of financing indicated therein, and special provisions relating to the sale are also set forth in Chapter II and in the applicable Annex.

C. DEPOSIT OF PAYMENTS

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates specified elsewhere in this Agreement as follows:

1. Payments in the local currency of the importing country (hereinafter referred to as local currency) shall be deposited to the account of the Government of the United States of America in interest bearing accounts in banks selected by the Government of the United States of America in the importing country.

2. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two Governments.

Article 3

A. WORLD TRADE

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this Agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this Agreement as friendly countries). In implementing this provision the Government of the importing country shall:

1. Insure that total imports from the exporting country and other friendly countries into the importing country and paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the usual marketing table set forth in Chapter II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this Agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this Agreement.
2. Take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this Agreement (except where such resale, diversion in transit,

transshipment or use is specifically approved by the Government of the United States of America); and

3. Take all possible measures to prevent the export of any commodity of either domestic or foreign origin which is the same as, or like, the commodities financed under this Agreement during the export limitation period specified in the export limitation table in Chapter II (except as may be specified in Chapter II or where such export is otherwise specifically approved by the Government of the United States of America).

B. PRIVATE TRADE

In carrying out this Agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively.

C. SELF-HELP

Chapter II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. REPORTING

In addition to any other reports agreed upon by the two Governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Article 4, Chapter II, of this Agreement and any subsequent comparable period during which commodities purchased under this Agreement are being imported or utilized:

1. The following information in connection with each shipment of commodities received under the Agreement: the name of each vessel; the date of arrival; the port of arrival; the commodity and quantity received; the condition in which received; the date unloading was completed; and the disposition of the cargo, i.e., stored, distributed locally, or, if shipped where shipped;
2. A statement by it showing the progress made toward fulfilling the usual marketing requirements;
3. A statement of the measures it has taken to implement the provisions of paragraph A, numbers 2 and 3 of this Article; and

4. Statistical data on imports and exports by country of origin or destination of commodities which are the same as or like those imported under the Agreement.

E. PROCEDURES FOR RECONCILIATION AND ADJUSTMENT OF ACCOUNTS

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records of the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. DEFINITIONS

For the purpose of this Agreement:

1. Delivery shall be deemed to have occurred as of the onboard date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier;
2. Import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country, and
3. Utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country.

G. APPLICABLE EXCHANGE RATE

For the purposes of this Agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate which is not less favorable to the Government of the exporting country than the highest of exchange rates legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest of exchange rates obtainable by any other nation. With respect to local currency:

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency.
2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first paragraph of this section G.

H. CONSULTATION

The two Governments shall, upon request of either of them, consult regarding any matter arising under this Agreement, including the operation of arrangements carried out pursuant to this Agreement.

I. IDENTIFICATION AND PUBLICITY

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity as provided for in subsection 103(1) of United States Public Law 480.

CHAPTER II

PARTICULAR PROVISIONS

Article 4

COMMODITY TABLE

<i>Commodity</i>	<i>Supply Period (United States Fiscal Year)</i>	<i>Approximate Max. Quantity (Metric Tons)</i>	<i>Max. Export Market Value (Thousands)</i>
Unmanufactured tobacco/tobacco products	1970	335	\$662
Soybean and/or cottonseed oil	1970	4,000	1,059
Wheat/wheat flour	1969	15,000	953
Tallow, inedible	1970	2,500	415
Ocean transportation (estimated)			250
		TOTAL	\$3,339

Article 5

PAYMENT TERMS

Dollar Credit

A. Initial Payment — 5 percent.

[The phrase which followed at this point has been deleted in accordance with the exchange of notes of September 29 and October 1, 1969; see p. 116.]

B. Currency Use Payment — 5 percent of the dollar amount of the financing by the Government of the exporting country under this Agreement is payable upon demand by the Government of the exporting country, in amounts as it may determine and in accordance with paragraph 6 of the Dollar Credit Annex applicable to this Agreement. No requests for payment will be made by the Government of the exporting country prior to the first disbursement by the CCC under this Agreement and final payment will be requested no later than 30 days after the end of the period during which deliveries are made under the Agreement.

[The phrase which followed at this point has been deleted in accordance with the exchange of notes of September 29 and October 1, 1969; see p. 116.]

C. Number of Installment Payments — 19 annual installments.

D. Amount of Each Installment Payment — Approximately equal annual amounts.

E. Due Date of First Installment Payment — Two years from date of last delivery in each calendar year.

F. Initial Interest Rate — 2 percent.

G. Continuing Interest Rate — 3 percent.

Article 6

USUAL MARKETING TABLE

<i>Commodity</i>	<i>Import Period (United States Fiscal Year)</i>	<i>Usual Marketing Requirements</i>
Unmanufactured tobacco/ tobacco products.	1970	865 metric tons (from the United States of America)
Soybean and/or cottonseed oil	1970	8,000 metric tons (of which at least 4,500 must be from the United States of America)
Wheat/wheat flour	1969	55,000 metric tons
Tallow, inedible	1970	18,500 metric tons (of which at least 13,500 must be from the United States of America)

Article 7

EXPORT LIMITATIONS

A. With respect to each commodity financed under this Agreement, the export limitation period for the same or like commodity shall be the period beginning on the date of the signature of this Agreement and ending on the final date on which the relevant commodity financed under this Agreement is being imported and utilized.

B. For the purpose of Chapter I, Article 3, paragraph A, number 3 of the Agreement, the commodities considered to be the same as, or like, the commodities imported under this Agreement are as follows : for wheat/wheat flour—foodgrains, including wheat, wheat flour, corn, rice and barley; for soybeans and/or oil—edible vegetable oilseeds and oils; for inedible tallow—edible and inedible tallow.

Article 8

SELF-HELP MEASURES

The Government of the importing country agrees to:

A. Initiate a program to support increased per capita food production by providing adequate producer incentives through such measures as making equitable commodity pricing adjustments, taking measures to make fertilizer and other essential agricultural inputs available at reasonable prices, and completing unfinished irrigation projects in critical areas.

B. Strengthen agricultural credit institutions and provide needed agricultural credit for operators of small and medium size farms.

C. Continue to support improvement of the marketing and distribution system for agricultural products, including provision of adequate storage, transportation and port facilities.

D. Continue to encourage private sector investment in agro-industries.

E. Improve the Extension Service of the Ministry of Agriculture through provision of adequate fiscal support, training of staff, and strengthening working relationships with the semi-autonomous research organization, INIAP, to assure dissemination of research results to farmers.

F. Expand the facilities of INIAP to include rice research and work on other crops directed toward greater diversification of agriculture.

G. Strengthen systems of collection and analysis of statistics; formulate appropriate agricultural policy measures, including any necessary diversification plans to enable Ecuador to meet its coffee production goal and to contribute effectively toward bringing world coffee supplies into alignment with demand; and prepare for and participate in the FAO 1970 World Census of Agriculture.

Article 9

ECONOMIC DEVELOPMENT PURPOSES FOR WHICH PROCEEDS REFERRED TO IN NUMBER 4 OF THE DOLLAR CREDIT ANNEX ARE TO BE USED

All local currencies generated through the sale of commodities under this Agreement are to be used in support of the self-help measures set forth in Article 8 above. Priority consideration will be given to agricultural credit, extension, research, construction of irrigation facilities and preparation for the World Agricultural Census. These generated funds may be used only on a proportionate fund matching basis as mutually agreed upon by the two countries.

Article 10

OTHER PROVISIONS

A. The currency use payment under Article 5, paragraph B of this Agreement shall be credited against (a) the amount of each year's interest payment due during the period prior to the due date of the first installment payment, starting with the first year payment, plus (b) the combined payments of principal and interest starting with the first installment payment, until the value of currency use payments has been offset.

B. Notwithstanding number 4 of the Annex, the Government of the importing country may withhold from deposit in the special account referred to in said number 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.

C. The Government of the importing country shall bear the costs of port charges at discharge port. Accordingly, the balance of ocean transportation costs to be financed on credit terms pursuant to number 1 of the Dollar Credit Annex shall be reduced by 10 percent of the ocean transportation costs on packaged commodities carried as liner parcels where the freight rate includes cost of stevedoring at discharge port and by 2 percent on all other shipments.

CHAPTER III
FINAL PROVISIONS

Article 11

This Agreement may be terminated by either Government by notice of termination to the other Government. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

Article 12

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 at Quito, Ecuador, in duplicate in the English and Spanish languages with equal validity, this 30th day of June 1969.

For the Government of the United States of America :

E. O. SESSIONS
Ambassador
of the United States of America

DOLLAR CREDIT ANNEX TO THE AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE
GOVERNMENT OF THE REPUBLIC OF ECUADOR FOR SALES OF
AGRICULTURAL COMMODITIES

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

Chapter I, Article 1, paragraph 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 number 1 of this Annex (but not the ocean freight differential).

This principal shall be paid in accordance with the payment schedule in Chapter II of this agreement. The first installment payment shall be due and payable on the date specified in Chapter 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 Chapter II of this Agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in the same Chapter 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 Chapter 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 non-governmental 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 program 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 Chapter I, Article 2, paragraph 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 Chapter I, Article 3, paragraph 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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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
AMENDING THE AGREEMENT OF 30 JUNE 1969
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE REPUBLIC OF ECUADOR FOR SALES OF AGRICULTURAL
COMMODITIES

I

The American Ambassador to the Acting Minister of Finance of Ecuador

EMBASSY OF THE UNITED STATES
OF AMERICA

Quito, September 29, 1969

Note No. 103

Excellency:

I have the honor to refer to the Agricultural Commodity Agreement between our two Governments signed on June 30, 1969, and propose that :

A. The supply period for wheat will be extended to June 30, 1970. This extension also signifies recognition by the Government of the Republic of Ecuador of its obligation to make commercial imports of wheat from free world sources (i.e. the usual marketing requirement) during the United States Fiscal Year (hereafter referred to as FY) 1970 at the same level as during FY 1969 (55,000 Metric Tons). In the event that the total FY 1969 wheat usual marketing requirement is not imported, any shortfall would also have to be imported during the period of this extension.

B. The date for the calculation of interest and for determining the beginning of the principal payment for wheat delivered between January 1, 1969, and June 30, 1969, shall be the date of the last delivery prior to July 1, 1969, rather than the date of the last delivery in the Calendar Year as specified in the Dollar Credit Annex. The corresponding date for which delivery under the proposed extension during FY 1970 will be that specified in the Dollar Credit Annex.

¹ Came into force on 1 October 1969, the date of the note in reply, in accordance with the provisions of the said notes.

C. In Article 5A, Chapter II, all words following the word “percent” be deleted; and

D. In Article 5B, Chapter II, the entire last sentence be deleted.

All other terms and conditions of the June 30, 1969 Agreement remain the same.

If the above proposals are acceptable to the Government of the Republic of Ecuador, I have the honor to propose that this note and Your Excellency's reply of concurrence shall together constitute an Agreement between our two Governments to enter into force upon the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

Edson O. SESSIONS

His Excellency Rafael Silva Estrada
Acting Minister of finance
Quito

II

[SPANISH TEXT — TEXTE EXPAGNOL]

REPÚBLICA DEL ECUADOR
MINISTERIO DE FINANZAS

Quito, a 1 Oct. 1969

Nº 5067

Señor Embajador :

Tengo el honor de avisar recibo a Vuestra Excelencia de su atenta nota número 103, de 29 de septiembre del año en curso, que se refiere al Convenio de 1969 sobre Excedentes Agrícolas suscrito entre los Gobiernos del Ecuador y de los Estado Unidos de América, comunicación que se encuentra concebida en los siguientes términos :

Excelencia :

Tengo a honra referirme al Convenio sobre Productos Agrícolas celebrado entre nuestros dos Gobiernos y suscrito en Junio 30, 1969, y propongo :

A. Que el período de suministro de trigo sea prorrogado hasta Junio 30, 1970. Esta ampliación también significa el reconocimiento, por parte del Gobierno de la

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF ECUADOR
MINISTRY OF FINANCE

Quito, October 1, 1969

No. 5067

Mr. Ambassador :

I have the honor to acknowledge receipt of Your Excellency's note No. 103 of September 29, 1969, which refers to the Agricultural Commodity Agreement of 1969 concluded between the Government of Ecuador and the Government of the United States of America, which note reads as follows :

[See note I]

I am happy to inform Your Excellency that my Government confirms the understanding of the Government of the United States of America set forth in the note transcribed above. Consequently, Your Excellency's note and this note in reply shall constitute a formal agreement between the two Governments, to enter into force on this date.

Accept, Excellency, the renewed assurances of my highest and most distinguished consideration.

R. SILVA ESTRADA
Acting Minister of Finance

His Excellency Edson O. Sessions
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Quito

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
AMENDING THE AGREEMENT OF 30 JUNE 1969
BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE REPUBLIC OF ECUADOR FOR SALES OF AGRICULTURAL
COMMODITIES, AS AMENDED

I

EMBASSY OF THE UNITED STATES
OF AMERICA

Quito, March 4, 1970

No. 20

Excellency:

I have the honor to refer to the agricultural commodities agreement between our two Governments signed on June 30, 1969, and propose that Chapter I, Article 3, A, 3 be amended by deleting the words "or like."

I further propose that Chapter II, Article 7, B be amended to read as follows:

"B. For the purpose of Chapter I, Article 3, paragraph A, number 3 of the Agreement, the commodities considered to be the same as the commodities imported under this Agreement are as follows: for wheat/wheat flour—wheat and wheat products; for soybeans and/or oil—edible vegetable oilseeds and oils; for inedible tallow—edible and inedible tallow."

If the foregoing is acceptable to your Government, I have the honor to propose that this note and your reply concurring therein shall constitute an agreement between our two Governments, to be effective on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

Samuel D. EATON
Chargé d'Affaires, a. i.

His Excellency Luis Gómez Izquierdo
Minister of Finance
Quito

¹ Came into force on 6 April 1970, the date of the note in reply in accordance with the provisions of the said notes.

Aprovecho la oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

Atentamente, Dios, Patria y Libertad,

L. GÓMEZ I.

Ministro de Finanzas

A su Excelencia Señor Samuel D. Eaton
Encargado de Negocios, a.i.
de los Estados Unidos de América
Ciudad

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF ECUADOR
MINISTRY OF FINANCE

Quito, April 6, 1970

Official communication No. 1396

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's note No. 20 of March 4, 1970, which refers to the Agricultural Commodities Agreement of 1969 between the Government of Ecuador and the Government of the United States of America and which reads as follows:

[See note I]

I am happy to inform Your Excellency that my Government confirms the understanding of the Government of the United States of America set forth in the note transcribed above. Consequently, Your Excellency's note and this note in reply shall constitute a formal agreement between the two Governments beginning on this date.

Accept, Excellency, the renewed assurances of my highest and most distinguished consideration.

L. GÓMEZ I.

Minister of Finance

Mr. Samuel D. Eaton
Chargé d'Affaires ad interim
of the United States of America
Quito

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.