

No. 11042

**UNITED STATES OF AMERICA
and
INDONESIA**

**Tenth Supplementary Agreement for sales of agricultural
commodities (with annex). Signed at Djakarta on
17 June 1970**

Authentic text: English.

Registered by the United States of America on 4 May 1971.

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

**Dixième Accord supplémentaire relatif à la vente de produits
agricoles (avec annexe). Signé à Djakarta le 17 juin 1970**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 4 mai 1971.

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

The Government of the United States of America and the Government of Indonesia, as the Tenth Supplement to the Agreement for Sales of Agricultural Commodities between the two Governments signed on September 15, 1967² (hereafter referred to as the September Agreement), have agreed to the commodity sale specified below. The Tenth Supplementary agreement shall consist of the Preamble, Parts I and III, and the Convertible Local Currency Credit (CLCC) Annex of the September Agreement and the following part II:

PART II

PARTICULAR PROVISIONS

Item I. *Commodity Table:*

<i>Commodity</i>	<i>Supply Period (United States Calendar Year)</i>	<i>Approximate Maximum Quantity (metric tons)</i>	<i>Maximum Export Market Value (millions)</i>
Wheat/wheat flour	1970	255,000	*\$16.6
Bulgur	1970	50,000	4.1
Cotton	1970	65,000 (bales)	8.8
			TOTAL \$29.5

* Value based to include 160,000 MT wheat flour.

Item II. *Payment Terms:*

Convertible Local Currency Credit

1. Initial Payment—None.
2. Currency Use Payment—None.

¹ Came into force on 17 June 1970 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 693, p. 87.

3. Amount of Each Installment Payment—Approximately equal annual amounts.
4. Number of Installment Payments—31.
5. Due Date of First Installment Payment—Ten years after date of last delivery of commodities in each calendar year.
6. Initial Interest Rate—2 percent.
7. Continuing Interest Rate—3 percent.

Item III. *Usual Marketing Table:*

<i>Commodity</i>	<i>Import Period (United States Calendar Year)</i>	<i>Usual Marketing Requirement (metric tons)</i>
None	1970	None

Item IV. *Export Limitations:*

A. With respect to the commodities financed under this agreement, export limitation period for same or like commodities shall be US CY 1970 and that part of any subsequent calendar year during which the relevant commodities financed under this agreement are being imported and utilized.

B. For the purpose of Part I, Article III A3, of the agreement, commodities considered to be same as, or like, commodities imported under this agreement are for wheat/wheat flour—wheat/wheat flour including wheat and wheat products, bulgur, and rice and for cotton—raw cotton, cotton yarn and/or cotton textiles except batiks and similar handicraft products.

Item V. *Self-Help Measures:*

The Government of Indonesia continues to accord priority attention to self-help measures as agreed upon in the Ninth Supplement. These measures are as follows:

A. The Government will make every effort to maintain the price of rice to the farmers at levels sufficient to encourage farmers to use optimum quantities of fertilizer, pesticides, and high yielding varieties of seed. 1970/1971 domestic rice procurement and sales by the Government will be adjusted to changes in the price and supply situation, particularly to maintain the minimum price as established by the Government of Indonesia's Economic

Stabilization Board. The Government of Indonesia will make maximum efforts immediately to publicize this minimum price using particularly the radio broadcasting facilities of the Department of Information and the Extension Service.

B. The Department of Agriculture will design and place in operation a unified producer price reporting system which will provide authorities in Djakarta with bi-weekly prices of stalk paddy and brown rice at the sub-district (Ketjamatan) level in all major rice producing areas. A pilot sampling system to report actual producer prices will be established in selected rice surplus producing Kabupatens (counties) of Java by September 1, 1970. When this system is functioning the Department of Agriculture will seek the means to disseminate reports on farm level prices to all farmers in major rice producing areas.

C. In conjunction with establishment of a producer price reporting system, the Government of Indonesia will establish uniform national standards for grading milled rice and will utilize such standards in all of its trading in selected areas by October 1970. It will encourage all those engaged in milling, storage and trading rice to adopt the use of these standards. These standards will be incorporated into Market News Reports as soon as feasible.

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

For the economic development purposes specified in Item V (Self-Help Measures) and for such other economic development purposes as may be mutually agreed upon.

Item VII. *Other Provisions:*

The Government of the exporting country shall bear the cost of ocean freight differential for commodities it requires to be carried in United States flag vessels but, notwithstanding the provisions 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 Djakarta, in duplicate, this 17th day of June, 1970.

For the Government
of the United States
of America:

LEWIS M. PURNELL

For the Government
of the Republic
of Indonesia:

OEMAR SENO ADJI