

No. 11130

**UNITED STATES OF AMERICA
and
REPUBLIC OF KOREA**

Sixth Supplementary Agreement for sales of agricultural commodities (with annex). Signed at Seoul on 29 January 1971

Authentic text: English.

Registered by the United States of America on 6 June 1971.

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

Sixième accord supplémentaire relatif à la vente de produits agricoles (avec annexe). Signé à Séoul le 29 janvier 1971

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 6 juin 1971.

SIXTH SUPPLEMENTARY AGREEMENT ¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF KOREA FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Korea, as the Sixth Supplement to the Agreement for Sales of Agricultural Commodities between the two Governments signed on March 25, 1967 ² (hereafter referred to as the March Agreement), have agreed to the commodity sale specified below. The Sixth Supplementary Agreement shall consist of the Preamble, Parts I and III of the March Agreement, the Convertible Local Currency Credit Annex of the October 23, 1968 Agreement,³ 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 (Metrics Tons)</i>	<i>Maximum Export Market Value (Millions)</i>
Rice (brown basis). . .	1971	200,000	\$29.3

Item II. *Payment Terms:*

Convertible Local Currency Credit

1. Initial Payment — None
2. Currency Use Payment — None
3. Amount of Each Installment Payment — approximately equal annual amounts

¹ Came into force on 29 January 1971 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 685, p. 101.

³ *Ibid.*, vol. 707, p. 31.

4. Number of Installment Payments — 31
5. Due Date of First Installment Payment — 10 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 Requirements*: None

Item IV. *Export Limitations*:

A. With respect to the commodity financed under this agreement, the export limitation period for same or like commodities shall be the supply period indicated in Item I and each subsequent period during which the commodity financed under this agreement is being imported and utilized.

B. For the purpose of Part I, Article III A 3, of the agreement, commodities considered to be the same as, or like, the commodity imported under this agreement are for rice—rice in the form of paddy, or brown, or milled rice.

Item V. *Self-Help Measures*:

The Government of the Republic of Korea is undertaking to:

1. Provide sufficient budgetary support to assure rearrangement of 50,000 hectares of rice land and development of 28,000 hectares of upland during the 1971/72 paddy rearrangement season.
2. Make necessary arrangements, including the provision of funds for subsidies and loans to distribute a minimum of 650,000 metric tons of limestone for use on Korean farms during 1971. Private production and marketing facilities should be encouraged. Also the Government of the Republic of Korea should insure that adequate credit is available so farmers may increase fertilizer application by a minimum of 15 percent during 1971. This target is to be reflected in national and provincial plans.
3. Adopt policies and initiate programs which will strengthen member investment and control of farmer organizations to facilitate increased use of farm inputs and improved storage and marketing of output.

4. Complete a comprehensive analysis of the agricultural sector.
5. Improve agricultural analysis process by continuation of consolidation and development of various agricultural economic, statistical and planning units of agricultural agencies into functional units with control and guidance provided by the Ministry of Agriculture and Forestry.

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

The proceeds accruing to the Government of the Republic of Korea under this agreement will be used to capitalize agricultural and grain price stabilization accounts. The Government of the Republic of Korea will provide periodic reports on receipt and disbursement from these accounts as requested by the Government of the United States of America.

Item VII. *Other Provisions:*

The Government of the United States 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 Seoul, in duplicate, this 29th day of January 1971.

For the Government
of the United States of America:

[Signed]

WILLIAM J. PORTER
Ambassador
of the United States of America

For the Government
of the Republic of Korea:

[Signed]

KIM, HAK YUL
Deputy Prime Minister and Minister,
Economic Planning Board