

No. 11249

**UNITED STATES OF AMERICA
and
REPUBLIC OF CHINA**

**Agreement supplementing and amending the Agreement of
December 12, 1967 for the sales of agricultural commodi-
ties (with annex). Signed at Taipei on 14 January 1971**

Authentic texts: English and Chinese.

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

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

**Accord complétant et modifiant l'Accord du 12 décembre 1967
relatif à la vente de produits agricoles (avec annexe).
Signé à Taipeh le 14 janvier 1971**

Textes authentiques: anglais et chinois.

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

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF CHINA SUPPLEMENTING AND AMENDING THE AGREEMENT OF DECEMBER 12, 1967² FOR THE SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of China as a supplement to the Agreement for Sales of Agricultural Commodities between the two Governments signed on December 12, 1967² (hereinafter referred to as “the December Agreement”), have agreed to the sales of commodities as specified below. This Agreement shall consist of the Preamble, Part I (with the Amendment noted below), Part III and the Local Currency Annex of the December Agreement and the following Part II:

PART I

GENERAL PROVISIONS

Article II

C. *Deposit of Payments*

Subparagraph 1 of Paragraph C of this Article shall be amended in its entirety to read:

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 in the Bank of Taiwan, and the Government of the United States may transfer all or part of these funds from the Bank of Taiwan to interest-bearing accounts with Banks selected by the Government of the United States.

¹ Came into force on 14 January 1971 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 701, p. 213.

PART II

PARTICULAR PROVISIONS

Item I. Commodity Table:

<i>Commodity</i>	<i>Supply Period (U.S. Fiscal Year)</i>	<i>Approximate Maximum Quantity (Bales)</i>	<i>Maximum Export Market Value (Million)</i>
Cotton	1971	80,000	\$ 10.0
Cotton	1972	80,000	10.0
TOTAL			\$20.0

Item II. Payment Terms:

Local Currency

1. Initial Payment in Dollars — One percent
2. Proportions of Local Currency Indicated for Specified Purposes:
 - a. U.S. Expenditures — 50 percent
 - b. Section 104 (g)— 50 percent as a grant for the purchase of goods or services for other friendly countries in connection with the international cooperation programs of the importing country.
3. Convertibility
 - a. Section 104(b) (1) — \$400,000
 - b. Section 104(b) (2) — \$400,000

Item III. Usual Marketing Table:

<i>Commodity</i>	<i>Import Period (U.S. Fiscal Year)</i>	<i>Usual Marketing Requirement</i>
Cotton	1971	248,000 bales of which at least 143,000 bales shall be from the United States
Cotton	1972	260,000 bales of which at least 150,000 bales shall be from the United States

Item IV. Export Limitations:

A. With respect to the Commodities financed under this Agreement, the export limitation period for same or like commodities shall be U.S. FY 1971 and U.S. FY 1972 and any subsequent fiscal year during which the relevant

commodity financed under this Agreement is being imported and utilized, whichever is later.

B. For the purpose of Part I, Article III A of the Agreement, the commodities considered to be the same as, or like cotton are cotton and cotton textiles.

C. *Permissible Exports*

<i>Commodity</i>	<i>Quantity or Conditions</i>	<i>Period Exports Permitted</i>
Cotton Textiles	The raw cotton content equivalent in weight to 314,000 bales (480 pounds net) each Fiscal Year. If this level of cotton textiles export is exceeded, the Government of the Republic of China will import from the United States with its own resources the raw cotton equivalent content so such exports in addition to the 143,000 bales for Fiscal Year 1971 and the 150,000 bales for Fiscal Year 1972 provided in Item III above.	Each year during United States Fiscal Years 1971 and 1972 or any subsequent period during which commodities purchased under the Agreement are being imported and/or utilized.

Item V. Self-Help Measures:

In consideration of Section 103(a) and Section 109 of the Act, and in recognition of the achievement of the Republic of China in agricultural production and economic development in Taiwan, up to 50 per cent of the New Taiwan Dollars accruing from the sale of commodities under this Agreement will be granted to supplement the Government of the Republic of China's international cooperation programs:

1. The Government of the Republic of China will engage in international programs of technical cooperation primarily in but not limited to the development of food production and in agricultural and other rural development programs that emphasize food production, processing and distribution.

2. In addition to the New Taiwan Dollars to be provided under this Agreement, the Government of the Republic of China will continue to furnish the foreign exchange necessary to meet the cost of such programs, and to provide up to 264 million New Taiwan Dollars from its own resources.

3. Scope of Program. The other terms of the grant of New Taiwan Dollars under this Agreement, including the relationship of proposed activities to assistance programs of the Government of the United States of America and private organizations of the United States, will be subject of a separate grant

agreement between the Government of the United States of America and the Government of the Republic of China.¹

Item VI. Other Provisions :

In addition to any local currency authorized for sale under Section 104(j) of the Act, the Government of the exporting country may utilize any local currency in the importing country to pay for travel which is part of a trip in which the traveler travels from, to, or through the importing country. These funds, but not the sales under Section 104(j), are intended to cover only travel by persons who are travelling on official business for the Government of the exporting country or in connection with the activities financed by the Government of the exporting country. The travel for which local currency may be utilized shall not be limited to services provided by the transportation facilities of the importing country.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement supplementing and amending the December Agreement.

DONE in duplicate, in the English and Chinese languages, at Taipei, this Fourteenth day of January of the year One Thousand Nine Hundred and Seventy One, corresponding to the Fourteenth day of the First month of the Sixtieth year of the Republic of China.

For the Government
of the United States of America:

[Signed]

WALTER P. MCCONAUGHY

For the Government
of the Republic of China:

[Signed]

WEI TAO-MING

¹ See p. 59 of this volume.