

**No. 11862**

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**UNITED STATES OF AMERICA  
and  
ISRAEL**

**Agreement for sales of agricultural commodities (with annex).  
Signed at Washington on 13 January 1972**

*Authentic text : English.*

*Registered by the United States of America on 11 July 1972.*

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

**Accord relatif à la vente de produits agricoles (avec annexe).  
Signé à Washington le 13 janvier 1972**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 11 juillet 1972.*

**AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA AND THE GOVERN-  
MENT OF ISRAEL FOR SALES OF AGRICULTURAL  
COMMODITIES**

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The Government of the United States of America and the Government of Israel 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 August 4, 1967 Agreement<sup>2</sup> 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>
Feedgrains . . . . .	1972	650,000	\$35.5
Wheat/wheat flour . . . . .	1972	235,000	14.2
Edible Vegetable Oil . . . . .	1972	15,000	4.2
Tobacco . . . . .	1972	219	0.5
			<hr style="width: 10%; margin: 0 auto;"/>
		TOTAL	\$54.4

*Item II. Payment Terms :*

**Dollar Credit**

1. Initial Payment — 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 the date of last delivery of commodities in each calendar year.
5. Initial Interest Rate — 2 percent.
6. Continuing Interest Rate — 3 percent.

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<sup>1</sup> Came into force on 13 January 1972 by signature, in accordance with part III (B).

<sup>2</sup> United Nations, *Treaty Series*, vol. 653, p. 81.

*Item III. Usual Marketing Table :*

<i>Commodity</i>	<i>Import Period (United States Calendar Year)</i>	<i>Usual Marketing Requirements (Metric Tons)</i>
Feedgrains . . . . .	1972	268,000
Wheat/wheat flour . . . . .	1972	135,000 (wheat equivalent) (of which at least 17,000 MT shall be imported from the United States)
Edible Vegetable Oil or Oilseeds (Oil Equivalent Basis) . . . . .	1972	22,000
Tobacco . . . . .	1972	2,300

*Item IV. 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 United States calendar year 1972 or any subsequent calendar year during which said commodities financed under this Agreement are being imported and utilized.

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 imported under this Agreement are : for feedgrains — feedgrains, including mixed feeds (with grain base), rye, corn, grain sorghums, barley, oats and products thereof, except seeds, animal products and industrial products; for wheat/wheat flour — wheat, wheat flour, bran, bulgur and/or rolled wheat; for edible vegetable oil — edible vegetable oil and oilseeds, including peanut, soybean, olive, sunflower, and cottonseed oils and products thereof.

C. During the United States Calendar Year 1972 the following permissible export arrangements are in effect :

1. Israel may export 25,000 metric tons of edible vegetable oil (including oil equivalent of edible oil bearing seeds) to countries friendly to the United States of America, provided that for each ton of edible vegetable oil exported, including oil equivalent of edible oil bearing seeds, the Government of Israel will purchase commercially from the United States of America an equivalent amount of edible vegetable oil or edible oil bearing seeds (calculated on the basis of soybeans with an oil extraction rate of 17.5 percent). These offsetting purchases will be in addition to the usual marketing requirement for edible vegetable oil.
2. Israel may export soybean oil meal, sunflower seeds and peanuts (not for

crushing), edible olives, olive oil, desiccated coconut meat and industrial oils and oilseeds without offsetting purchase requirements.

3. Israel may export margarine and/or shortening provided the Government of Israel purchases commercially from the United States of America an amount of edible vegetable oil or oil bearing seeds equivalent to the edible oil content of the margarine and/or shortening exported. These offsetting purchases will be in addition to the usual marketing requirement for edible vegetable oil. The extraction rate of edible oil bearing seeds to be used in calculation of the equivalent amount of edible oil contained in the margarine and/or shortening will be calculated on a basis of soybeans with an oil extraction rate of 17.5 percent.
4. Israel may export barley malt and up to \$150,000 worth of corn starch.

*Item V. Self-Help Measures :*

The Government of Israel, in maintaining their policy of increased agricultural production, will continue self-help activities in the following areas :

1. Further increase food production through intensive use of existing cropland.
2. Improve the facilities for the storage and distribution of food commodities.
3. Continue emphasis on adaptive research to develop new high yielding crop varieties.

*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. Ocean Freight (Differential) :*

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 Dollar 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 Washington, in duplicate, this 13th day of January, 1972.

For the Government of the United States of America :

JOSEPH JOHN SISCO

For the Government of Israel :

Y. RABIN

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