

No. 11969

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**UNITED STATES OF AMERICA  
and  
PORTUGAL**

**Exchange of letters constituting an agreement relating to economic assistance (with related letter). Brussels, 9 December 1971**

*Authentic texts : English and Portuguese.*

*Registered by the United States of America on 26 September 1972.*

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

**Échange de lettres constituant un accord en matière d'assistance économique (avec lettre connexe). Bruxelles, 9 décembre 1971**

*Textes authentiques : anglais et portugais.*

*Enregistré par les États-Unis d'Amérique le 26 septembre 1972.*

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND PORTUGAL RELATING TO ECONOMIC ASSISTANCE

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I

THE SECRETARY OF STATE  
WASHINGTON

December 9, 1971

Dear Mr. Minister :

I refer to the series of discussions that have taken place between our two Governments designed to enhance our political, economic, and cultural relations and in particular to the discussions that have centered on Portugal's development programs in the fields of education, health, agriculture, transportation and science.

As a result of these discussions, the United States agrees, within the limitations of applicable United States legislation and appropriations, to help Portugal in its development efforts by providing the following economic assistance :

1. A PL-480 program that will make available agricultural commodities valued at up to \$15 million during fiscal year 1972 and the same amount during fiscal year 1973. The terms of the agreements under PL-480 will be 15 years at 4½ percent interest, with an initial payment of 5 percent and currency use payment of 10 percent.
2. Financing for certain projects of the Government of Portugal, as follows : The two Governments have reviewed development projects in Portugal valued at \$400 million and the United States Government declares its willingness to provide, in accordance with the usual loan criteria and practices of the Eximbank, financing for these projects.
3. The hydrographic vessel USNS Kellar on a no cost basis, subject to the terms of a lease to be negotiated.
4. A grant of \$1 million to fund educational development projects selected by the Government of Portugal.
5. Five million dollars in "drawing rights" at new acquisition value of any non-military excess equipment which may be found to meet Portuguese requirements over a period of two years. The figure of five million dollars

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<sup>1</sup> Came into force on 9 December 1971 by the exchange of the said letters.

is to be considered illustrative and not a maximum ceiling so that we may be free to exceed this figure if desired.

As soon as the Government of Portugal replies to this letter, discussions shall be initiated to implement the details of each of the individual items listed herein.

Sincerely yours,

[Signed]

WILLIAM P. ROGERS

His Excellency Rui Patrício  
Minister of Foreign Affairs of Portugal

## II

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

*The Portuguese Minister of Foreign  
Affairs to the Secretary of State*

MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS  
GABINETE DO MINISTRO

MINISTRY OF FOREIGN AFFAIRS  
OFFICE OF THE MINISTER

9 de Dezembro de 1971

December 9, 1971

Excelência,

Excellency :

Tenho a honra de acusar a recepção da carta de Vossa Excelência desta data relativa à assistência económica a prestar pelo Governo dos Estados Unidos da América a Portugal.

I have the honor to acknowledge receipt of Your Excellency's letter of this date relating to the economic assistance to be given by the Government of the United States of America to Portugal.

Informo Vossa Excelência que a assistência económica tal como especificada na carta acima mencionada e os termos nela expressos em que a mesma se processará são aceites pelo Governo Português.

I inform Your Excellency that the economic assistance as specified in the aforesaid letter and the terms therein set forth under which it will be provided are acceptable to the Portuguese Government.

Apresento a Vossa Excelência os protestos da minha mais elevada consideração.

I convey to Your Excellency the assurances of my highest consideration.

[Signed — Signé]

[Signed]

RUI PATRÍCIO

RUI PATRÍCIO

Ministro dos Negócios Estrangeiros

Minister of Foreign Affairs

A Sua Excelência o Secretário  
de Estado

His Excellency William Rogers  
Secretary of State

Senhor William Rogers

<sup>1</sup> Translation supplied by the Government of the United States of America.

<sup>2</sup> Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

## RELATED LETTER

THE SECRETARY OF STATE  
WASHINGTON

December 9, 1971

Dear Mr. Minister :

During the recent discussions between our two Governments regarding possible participation by my Government in the plans which your Government has drawn up for the economic and social development of your country, Portuguese and American technicians have reviewed various Portuguese proposals with a total value of some \$400 million. These included, inter alia, projects for airport construction, railway modernization, bridge-building, electric power generation, mechanization of agriculture, harbor construction and town planning, and the supplying of equipment for schools and hospitals.

I am pleased to inform you that the United States Government is willing to provide, through the Export-Import Bank of the United States, financing for U.S. goods and services to be used in these projects, in accordance with the usual loan criteria and practices of the Bank. Applications for loans or preliminary commitments covering specific projects may be submitted to the Bank through the Portuguese Embassy in Washington or directly at any time and will receive expeditious handling.

Sincerely yours,

[Signed]  
WILLIAM P. ROGERS

His Excellency Rui Patrício  
Minister of Foreign Affairs of Portugal

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