

No. 12189

**UNITED STATES OF AMERICA
and
AFGHANISTAN**

**Agreement for sales of agricultural commodities (with
annex). Signed at Kabul on 23 August 1971**

Authentic text: English.

Registered by the United States of America on 21 December 1972.

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

**Accord relatif à la vente de produits agricoles (avec annexe).
Signé à Kaboul le 23 août 1971**

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 21 décembre 1972.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE ROYAL GOVERNMENT OF AFGHANISTAN FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Royal Government of Afghanistan have agreed to the sales of commodities specified below. This Agreement shall consist of the preamble, parts I and III, and the Convertible Local Currency Credit annex of the July 19, 1967 Agreement,² and the following part II:

PART II. PARTICULAR PROVISIONS

Item I. Commodity table:

<i>Commodity</i>	<i>Supply Period (United States Fiscal Year)</i>	<i>Approximate Maximum Quantity (Metric Tons)</i>	<i>Maximum Export Market Value (Millions)</i>
Wheat and/or wheat flour	1972	100,000	\$6.1

Item II. Payment Terms:

Convertible Local Currency Credit

1. Initial Payment—None.
2. Currency Use Payment—13 percent of the dollar amount of the financing by the Government of the exporting country under this agreement is payable upon demand by the Government of the exporting country in amounts as it may determine and in accordance with paragraph 6 of the Convertible Local Currency Credit annex applicable to this agreement. No request for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation under this agreement.
3. Number of Installment Payments—31.
4. Amount of Each Installment Payment—Approximately equal annual amounts.
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.

¹ Came into force on 23 August 1971 by signature, in accordance with part III (B).
² United Nations, *Treaty Series*, vol. 692, p. 345.

Item IV. Export Limitations:

A. The export limitation period for commodities the same as, or like, any particular commodity financed under this agreement shall be the period beginning on the date of this agreement and ending on the final date on which the relevant commodities financed under this agreement are 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 financed under this agreement are: wheat/wheat flour—foodgrains, including products thereof.

Item V. Self-Help Measures:

The Royal Government of Afghanistan continues to give high priority to the development of agriculture within the Fourth Five-Year Plan, including continued emphasis on adaptive research and extension services for the wider use of fertilizer and improved seed for wheat and other crops under programs mutually agreed upon by the Royal Government of Afghanistan and the Government of the United States of America.

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 Convertible Local Currency Credit annex, it shall not finance the balance of the cost of ocean transportation of such commodities.

Item VIII. Other Provisions:

A. The Government of the exporting country elects pursuant to paragraph 6 of the Convertible Local Currency Credit annex that all payments under item II 2 of this part II be made in Afghanis, which shall be used by the Government of the exporting country for payment of its obligations in the importing country.

B. Notwithstanding paragraph 4 of the Convertible Local Currency Credit annex, the Government of the importing country may withhold from deposit in the special account referred to in such paragraph so much of the proceeds accruing to it from the sales of commodities financed under this agreement as is equal to the amount of the currency use payment made by the Government of the importing country.

C. Notwithstanding paragraph 4 of the Convertible Local Currency Credit annex to the July 19, 1967 and July 2, 1968 agreements, as amended,¹ deposits to the special account shall be made sixty days after the end of each quarter of the Afghan fiscal year for commodities sold in that quarter. The exchange rate to be used in calculating the local currency equivalent shall be the rate at which the

¹ United Nations, *Treaty Series*, vol. 707, p. 111.

central monetary authority of the importing country, or its authorized agent, sells U.S. dollars for local currency in connection with the commercial import of the same commodities on the date each deposit as required is made to the special account.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement.

DONE at Kabul, in duplicate, in the English and Dari languages,¹ the English language version prevailing and governing in any questions of interpretation that may arise during the life of this Agreement, this twenty-third day of August, 1971.

For the Government
of the United States of America:

[*Signed*]

ROBERT G. NEUMANN
Ambassador Extraordinary
and Plenipotentiary

For the Royal Government
of Afghanistan:

[*Signed*]

DR. GHULAM HAIDER DAWAR
Minister of Finance

¹ The Dari text was not actually signed. (Information provided by the Government of the United States of America.)