

No. 12254

**UNITED STATES OF AMERICA
and
REPUBLIC OF VIET-NAM**

**Agreement for sales of agricultural commodities (with
annex). Signed at Saigon on 29 August 1972**

Authentic text: English.

Registered by the United States of America on 29 December 1972.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DU VIET-NAM**

**Accord relatif à la vente de produits agricoles (avec annexe).
Signé à Saigon le 29 août 1972**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 29 décembre 1972.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF VIET-NAM FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of the Republic of Viet-Nam have agreed to the sales of agricultural commodities specified below. This Agreement shall consist of the preamble and parts I and III of the July 8, 1970 Agreement,² the convertible local currency credit annex of the April 19, 1972 Agreement,³ and the following part II:

PART II PARTICULAR PROVISIONS

ITEM I. *Commodity Table*

<i>Commodity</i>	<i>Supply Period (United States)</i>	<i>Approximate Maximum Quantity</i>	<i>Maximum Export Market Value (Millions)</i>
Wheat/Wheat Flour	FY 1973	260,000 M.T.	\$16.2
Corn and/or Grain Sorghum	FY 1973	80,000 M.T.	5.1
Soybean and/or Cottonseed Oil .	FY 1973	20,000 M.T.	6.4
Nonfat Dry Milk	FY 1973	22,000 M.T.	17.5
Tallow, inedible	FY 1973	2,000 M.T.	0.4
Tobacco	FY 1973	11,700 M.T.	28.9
Cotton	FY 1973	152,000 Bales	<u>23.3</u>
		TOTAL	\$97.8

ITEM II. *Payment Terms*

Convertible local Currency Credit

1. Initial Payment—None
2. Currency Use Payment — Up to 100 percent of the dollar amount disbursed by the Government of the exporting country plus accrued interest. The currency use payment 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 requests for payment will be made by the Government of the exporting country prior to the first disbursement under this Agreement.

Proportions of Currency Use Payments Indicated for Specified Purposes:

 - a. Section 104 (a) U.S. Expenditures—20 percent of the amount disbursed, plus accrued interest.
 - b. Section 104 (c) Grant for Common Defense—up to 80 percent of the amount disbursed.

¹ Came into force on 29 August 1972 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 775, p. 107.

³ *Ibid.*, vol. 845, No. 1-12100.

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*

ITEM IV. *Export Limitations*

A. The export limitation period shall be U.S. fiscal year 1973 or any subsequent United States fiscal year during which the commodities financed under this Agreement are being imported or utilized.

B. For 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: for wheat/wheat flour—wheat, wheat flour, rolled wheat, semolina, farina and bulgur; for corn and/or grain sorghum—corn, cornmeal, barley, grain sorghum, rye and oats, including mixed feeds containing predominantly such grains; for soybean and/or cottonseed oil—all edible vegetable oils including peanut oil, soybean oil, cotton-seed oil, rapeseed oil, sunflower oil and sesame oil; for nonfat dry milk—nonfat dry milk; for tallow, inedible—tallow; for cotton—cotton and cotton textiles (including yarn and waste).

C. *Permissible Exports*

<i>Commodity</i>	<i>Quantity</i>	<i>Period during which such exports are permitted</i>
Cotton waste	4,000 M.T.	USFY 1973

ITEM V. *The Government of the Republic of Viet-Nam agrees to:*

- A. Adopt and maintain policies conducive to improved feedgrain and live-stock production.
- B. Continue to explore the feasibility of developing an oilseed production and processing industry.
- C. Continue to develop an economic analytical expertise within the Ministry of Land Reform, Agriculture and Fisheries Development to assist the government in formulating more effective agricultural policies.

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

For purposes specified in item V above 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 cur-

rency credit annex, it shall not finance the balance of the cost of ocean transportation of such commodities.

ITEM VIII. *Other Provisions*

A. The currency use payment under part II, item II 2 of this Agreement shall be credited against (a) the amount of each year's interest payment due during the period prior to the due date of the first installment payment, starting with the first year, plus (b) the combined payments of principal and interest starting with the first installment payment, until value of the currency use payment has been offset.

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, or may withdraw from amounts deposited therein, so much of the proceeds accruing to it from the sale of commodities financed under this Agreement as is equal to the amount of the currency use payments made by the Government of the importing country.

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

DONE at Saigon, in duplicate, this twenty-ninth day of August, 1972.

For the Government
of the United States of America :

[Signed]

ELLSWORTH BUNKER
American Ambassador

For the Government
of the Republic of Viet-Nam:

[Signed]

TRAN VAN LAM
Minister of Foreign Affairs