

No. 12204

**UNITED STATES OF AMERICA
and
PAKISTAN**

**Agreement for sales of agricultural commodities (with annex).
Signed at Islamabad on 18 March 1972**

**Exchange of notes constituting an agreement amending the
above-mentioned Agreement. Islamabad, 6 April 1972**

**Exchange of notes constituting an agreement amending the
above-mentioned Agreement of 18 March 1972, as
amended. Islamabad, 3 May 1972**

Authentic texts : English.

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

**ÉTATS-UNIS D'AMÉRIQUE
et
PAKISTAN**

**Accord relatif à la vente de produits agricoles (avec annexe).
Signé à Islamabad le 18 mars 1972**

**Échange de notes constituant un accord modifiant l'Accord
susmentionné. Islamabad, 6 avril 1972**

**Échange de notes constituant un accord modifiant l'Accord
susmentionné du 18 mars 1972, tel qu'il a été modifié.
Islamabad, 3 mai 1972**

Textes authentiques : anglais.

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

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

The Government of the United States of America and the Government of Pakistan have agreed to the sales of commodities specified below. This Agreement shall consist of the preamble, parts I and III of the May 11, 1967 Agreement,² the Convertible Local Currency Credit Annex of the August 3, 1967 Agreement,³ and the following part II :

PART II. PARTICULAR PROVISIONS

Item I. Commodity Table :

<i>Commodity</i>	<i>Supply Period (U.S. Fiscal Year)</i>	<i>Approximate Maximum Quantity</i>	<i>Maximum Export Market Value (Millions)</i>
Wheat/wheat flour (in wheat equivalent)	1972	300,000 MT	\$ 18.1
Soybean/cottonseed oil	1972	25,000 MT	\$ 7.5
Tobacco	1972	200 MT	\$ 0.7
Cotton, extra long staple	1972	11,000 Bales	\$ 2.9
		TOTAL	<u>\$ 29.2</u>

Item II. Payment Terms :

Convertible Local Currency Credit

1. Initial Payment — 5 Percent
2. Number of Installment Payments — 31
3. Amount of Each Installment Payment — Approximately equal annual amounts.
4. Due Date of First Installment Payment — 10 years after date of last delivery of commodities in each calendar year.
5. Initial Interest Rate — 2 Percent
6. Continuing Interest Rate — 3 Percent

Item III. Usual Marketing Table :

<i>Commodity</i>	<i>Import Period (U.S. Fiscal Year)</i>	<i>Usual Marketing Requirements (Metric Tons)</i>
Wheat/wheat flour (in wheat equivalent)	1972	100,000 MT
Soybean/cottonseed oil	1972	21,500 MT
		(of which at least 2,500 MT shall be imported from the United States)

¹ Came into force on 18 March 1972 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 685, p. 291.

³ *Ibid.*, vol. 693, p. 21.

Item IV. Export Limitations :

A. With respect to each commodity financed under this Agreement, the export limitation period for same or like commodity shall be for United States Fiscal Year 1972 or any subsequent United States Fiscal Year during which said commodities financed under this Agreement are being imported or utilized, whichever is later.

B. For the purpose of part I, article III.A.3 of the Agreement, commodities considered to be the same as or like commodities imported under this Agreement are : for wheat/wheat flour—wheat, wheat flour, rolled wheat, semolina, farina and bulgur (or same product under a different name); for soybean/cottonseed oil—edible vegetable oils, including peanut oil, soybean oil, cottonseed oil, rapeseed oil, sunflower oil, sesame oil, and/or edible oil bearing seeds; for cotton, extra long staple—cotton (extra long staple), ELS cotton textiles (including yarn and waste), except as offset by commercial cotton purchases from the United States.

Item V. Self-Help Measures :

A. The Government of Pakistan will review within the next six months its policy with regard to production and marketing foodgrains in light of consumption demand for these crops in Pakistan.

B. The Government of Pakistan will undertake the following self-help measures :

- (1) A review of foodgrain price policy with the objective of rationalizing domestic foodgrain production and consumption.
- (2) Formulate concrete proposals to increase domestic production and processing of edible oils to meet minimum per capita nutritional requirements.
- (3) Provide adequate funds for the development and implementation of programs in agricultural research.
- (4) Formulate proposals for other agricultural and economic development programs which may result from the review cited in paragraph A above.

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 :

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 I of the Convertible Local Currency 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 Islamabad, in duplicate, this 18th day of March, 1972.

For the Government of Pakistan :

[Signed]

Name : Dr. MUBASHIR HASAN

Title : Minister for Finance, Economic Affairs
and Development

For the Government of the United States of America :

[Signed]

Name : SIDNEY SOBER

Title : Chargé d'Affaires ad interim

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND PAKI-
STAN AMENDING THE AGREEMENT OF 18 MARCH 1972²
FOR SALES OF AGRICULTURAL COMMODITIES

I

EMBASSY OF THE UNITED STATES OF AMERICA
ISLAMABAD

April 6, 1972

Sir :

I have the honor to refer to the Agricultural Commodities Sales Agreement between our two Governments signed on March 18, 1972,² and to propose that part II item I of the Commodity Table be revised to include under the appropriate headings the following :

The quantity of wheat shall be increased to 500,000 MT with a corresponding increase in the Export Market Value to \$ 30 Million. The new total Export Market Value of the Agreement is \$ 41.1 Million.

All other items in the said Agreement shall remain unchanged.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments to enter into force under the date of your note in reply.

Please accept the renewed assurances of my highest consideration.

[Signed]

SIDNEY SOBER
Chargé d'Affaires a.i.

Mr. S. S. Iqbal Hosain, S.Q.A., PMAS
Secretary
Economic Coordination and External Assistance Division
Government of Pakistan
Islamabad

¹ Came into force on 6 April 1972, the date of the note in reply, in accordance with the provisions of the said notes.

² See p. 18 of this volume.

II

GOVERNMENT OF PAKISTAN

President's Secretariat

ECONOMIC COORDINATION AND EXTERNAL ASSISTANCE DIVISION

No. 1 (2) US-VI/72

Islamabad, April 6, 1972

Dear Mr. Sober,

I have the honour to acknowledge with thanks the receipt of your letter dated April 6, 1972, concerning the Agricultural Commodities Sales Agreement between our two Governments signed on March 18, 1972.

The text of your letter under reference is reproduced below :

[See note 1]

I write to concur in the contents of your letter and to confirm that this exchange of letters between us shall constitute an agreement between our two Governments.

Sincerely yours,

[Signed]

S. S. IQBAL HOSAIN

Mr. Sidney Sober
Charge d'Affaires a.i.
American Embassy
Islamabad

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND PAKI-
STAN AMENDING THE AGREEMENT OF 18 MARCH 1972²
FOR SALES OF AGRICULTURAL COMMODITIES, AS
AMENDED³

I

EMBASSY OF THE UNITED STATES OF AMERICA
ISLAMABAD

May 3, 1972

Sir :

I have the honor to refer to the Agricultural Commodities Sales Agreement signed by the representatives of our two Governments on March 18, 1972,² as amended,³ and to propose that part II item I, of the Commodity Table be amended to include under the appropriate headings the following :

(A) Corn, FY 1972, 35,000 MT \$2.0 Million. The new total Export Market Value of the Agreement is now \$43.1 Million.

(B) Under part II, item IV, Export Limitations, Paragraph B, add the following phrase at the end of the text of Paragraph B :

“For Corn—corn, cornmeal, barley, grain sorghum, rye, oats, mixed feeds containing predominantly such grains.”

All other terms and conditions of the said Agreement shall remain unchanged.

If the foregoing is acceptable to your Government, I propose that this note together with your reply concurring therein shall constitute an agreement between our two Governments to enter into force under the date of your note in reply.

Please accept the renewed assurances of my highest consideration.

[Signed]

JOSEPH C. WHEELER
Minister-Counselor, Director

Mr. S. S. Iqbal Hosain S.Q.A., PMAS
Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

¹ Came into force on 3 May 1972, the date of the note in reply, in accordance with the provisions of the said notes.

² See p. 18 of this volume.

³ See p. 21 of this volume.

II

GOVERNMENT OF PAKISTAN
President's Secretariat
ECONOMIC AFFAIRS DIVISION

No. 1 (13) US-VI/72

Islamabad, dated May 3, 1972

Dear Mr. Wheeler,

I have the honour to acknowledge with thanks the receipt of your letter dated May 3, 1972 containing the proposal for amendment of the Agreement signed by the representatives of our two Governments on March 18, 1972.

The text of your letter under reference is reproduced below :

[See note I]

I write to concur in the contents of your letter and to confirm that this exchange of letters between us shall constitute an agreement between our two Governments.

Sincerely yours,

[Signed]

S. S. IQBAL HOSAIN

Mr. Joseph C. Wheeler
Minister-Counselor Director
U.S. Embassy
Islamabad
