

No. 12378

**CANADA
and
ALGERIA**

**Agreement relating to the sale of wheat by Canada. Signed
at Ottawa on 18 August 1972**

Authentic texts: English and French.

Registered by Canada on 28 March 1973.

**CANADA
et
ALGÉRIE**

**Accord au sujet de la vente de blé par le Canada. Signé à
Ottawa le 18 août 1972**

Textes authentiques: anglais et français.

Enregistré par le Canada le 28 mars 1973.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA RELATING TO THE SALE OF WHEAT BY CANADA

The Government of Canada and the Government of the People's Democratic Republic of Algeria have agreed as follows:

Article I. Algeria shall buy in Canada, through the Office algérien interprofessionnel des céréales, and Canada shall supply through the Canadian Wheat Board, up to 500,000 metric tons of wheat, 5% more or less, each calendar year commencing January 1973 for the years 1973 to 1977 inclusive, for shipment from Canadian ports.

Article II. Under this Agreement, the type and grades of wheat, delivery terms, prices and other commercial conditions will be negotiated and agreed upon by the Office algérien interprofessionnel des céréales and the Canadian Wheat Board. The quantities of wheat will be made available by the Canadian Wheat Board through its agents.

Article III. The payment terms, which will apply to all shipments made in accordance with article I, shall be as follows: A cash payment of 10 per cent of the gross invoice value of each cargo on date of each shipment, and the balance of 90 per cent payable in equal annual instalments, with the first payment due two years from the Bill of Lading date. Subsequent payments will be due at intervals of 12 months thereafter, with the final payment due 120 months after date of shipment. Interest will be payable semi-annually at 4.75 per cent per annum, on the principal balance outstanding calculated from date of each shipment.

Article IV. The Export Development Corporation, an Agency of the Canadian Government will be instructed to insure, at a premium rate of 0.25 per cent per annum, on 90 per cent of the gross invoice value, including interest, of each cargo for the first two years from the Bill of Lading date, and thereafter on the outstanding principal plus interest, on the purchases made in accordance with the provision of article I and in accordance with the terms of payment in article III. An amount equal to this charge for each cargo shall be payable in total on the Bill of Lading date.

Article V. The Government of the People's Democratic Republic of Algeria guarantees that payments will be made on the due dates in accordance with the terms of payment in article III.

Article VI. The Government of the People's Democratic Republic of Algeria shall not divert to another country any wheat purchased under these arrangements without obtaining prior approval from Canada.

Article VII. The Government of Canada and the Government of the People's Democratic Republic of Algeria agree that the concessional sale of wheat pursuant to this Agreement should not disrupt normal trade in this

¹ Came into force on 18 August 1972 by signature, in accordance with article VIII.

commodity. To this end the Government of the People's Democratic Republic of Algeria undertakes to:

- (a) ensure that deliveries of Canadian wheat pursuant to this Agreement are additional to commercial purchases for cash, or credit on terms of three years or less, from all sources, of at least 500,000 metric tons of wheat per year;
- (b) ensure that there is no export of wheat from Algeria during the period of delivery, and twelve months following the last delivery made under this Agreement without prior consultation with the Government of Canada.

Article VIII. This Agreement shall enter into force on the date of signature.

IN WITNESS WHEREOF the undersigned, being duly authorized, have signed this Agreement on behalf of their respective Governments.

DONE in two copies at Ottawa, this 18th day of August, 1972, in the English and French languages, both language versions being equally authentic.

EN FOI DE QUOI les soussignés, dûment autorisés, ont signé cet Accord au nom de leurs Gouvernements respectifs.

FAIT en double exemplaire, à Ottawa, le 18^e jour d'août 1972, en anglais et en français, les deux textes faisant également foi.

[Signed — Signé]
JEAN-LUC PÉPIN

For the Government of Canada
Pour le Gouvernement du Canada

[Signed — Signé]
DJAMAL HOUBOU

For the Government of the People's Democratic Republic of Algeria
Pour le Gouvernement de la République algérienne démocratique et populaire
