

No. 13449

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**UNITED STATES OF AMERICA  
and  
BOLIVIA**

**Agreement for sales of agricultural commodities (with annex).  
Signed at La Paz on 20 December 1972**

**Exchange of notes constituting an agreement amending the  
above-mentioned Agreement. La Paz, 9 November 1973**

**Exchange of notes constituting an agreement amending the  
above-mentioned Agreement of 20 December 1972, as  
amended. La Paz, 28 December 1973**

*Authentic texts: English and Spanish.*

*Registered by the United States of America on 2 August 1974.*

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

**Accord relatif à la vente de produits agricoles (avec annexe).  
Signé à La Paz le 20 décembre 1972**

**Échange de notes constituant un accord modifiant l'Accord  
susmentionné. La Paz, 9 novembre 1973**

**Échange de notes constituant un accord modifiant l'Accord  
susmentionné du 20 décembre 1972, tel que modifié. La  
Paz, 28 décembre 1973**

*Textes authentiques: anglais et espagnol.*

*Enregistrés par les États-Unis d'Amérique le 2 août 1974.*

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BOLIVIA FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of Bolivia have agreed to the sale of agricultural commodities specified below. This Agreement shall consist of the preamble, parts I and III, and the Convertible Local Currency Credit Annex of the April 29, 1971, Agreement,<sup>2</sup> and the following part II:

### PART II

#### PARTICULAR PROVISIONS

##### *Item I. Commodity Table*

<i>Commodity</i>	<i>Supply period (Calendar year)</i>	<i>Approximate maximum quantity (Metric tons)</i>	<i>Maximum export market value (Millions)</i>
Wheat/wheat flour . . . . .	1973	100,000	\$8.89
Tobacco/tobacco products . . . . .	1973	432	1.05
		TOTAL	\$9.94

##### *Item II. Payment Terms*

###### Convertible Local Currency Credit

1. Initial Payment — 5 percent.
2. Currency Use Payment — 5 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 demand 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: 18.
4. Amount of Each Installment Payment: approximately equal annual installments.
5. Due Date of First Installment Payment: 4 years from date of last delivery in each calendar year.
6. Initial Interest Rate: 2 percent.
7. Continuing Interest Rate: 3 percent.

<sup>1</sup> Came into force on 20 December 1972 by signature, in accordance with part III (B).

<sup>2</sup> United Nations, *Treaty Series*, vol. 837, p. 3.

*Item III. Usual Marketing Table*

<i>Commodity</i>	<i>Import period (Calendar year)</i>	<i>Usual marketing requirement (Metric tons)</i>
Wheat/wheat flour .....	1973	116,000
Tobacco/tobacco products .....	1973	484 (of which at least 417 MT must be imported from the USA)

*Item IV. Export Limitations*

A. With respect to each commodity financed under this Agreement, the export limitation period for the same commodity shall be United States Calendar Year 1973, or any subsequent calendar 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<sub>3</sub> of the Agreement, the commodities considered to be same as the commodities financed under this Agreement are: for wheat/wheat flour — wheat, wheat flour, rolled wheat, semolina, farina, and bulgur (or the same product under a different name); for tobacco — no export limitation required.

*Item V. Self-help Measures*

The Government of Bolivia agrees to:

1. Continue the improvement of the administrative and technical competence of the Ministry of Agriculture and Livestock.
2. Continue to give priority emphasis in the Ministry of Agriculture and Livestock to organizing and operating the current vertically integrated projects on marketing and production for sheep and cereals.
3. Continue to strengthen the Agricultural Extension, Research, Seed, Livestock, and Planning programs within the Ministry of Agriculture and Livestock, particularly in improving the quality of these services and providing adequately for operational expenses.
4. Continue the emphasis on the cereals program with a specific goal of increasing wheat production to 102,000 metric tons in 1975 (42 percent of estimated 1975 consumption).
5. Toward the accomplishment of said goal to establish national wheat prices at such levels as to promote both domestic production and domestic demand therefor, with due consideration for relative quality of domestic and imported wheat.
6. Support agricultural marketing programs.
7. Continue to construct and improve maintenance of farm to market roads and high-ways.
8. Substantially improve the collection, computation, and analysis of current agricultural statistics within the government ministries and coordinate these data for

program operation and planning.

9. Carry out such other measures as may be mutually agreed upon for the purpose specified in Section 109(a) of Public Law 480.

*Item VI.* Economic Development Purposes for which Proceeds Accruing to Importing Country Are to Be Used

The proceeds accruing to the importing country from the sale of commodities financed under this Agreement will be used for financing the self-help measures set forth in the Agreement and for the following economic development sectors: Agriculture, Industry and Commerce, Transport and Communications.

*Item VII.* Ocean Freight Financing

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

1. 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 the value of the currency use payment has been offset.

2. The following is substituted for paragraph 4 of the Convertible Local Currency Credit Annex: "The total amount of the proceeds accruing to the importing country from the sale of commodities financed under this Agreement, to be applied to the economic development uses set forth in part II of this Agreement, shall be not less than the local currency equivalent of the dollar disbursement by the Government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential), provided, however, that the sales proceeds to be so applied shall be reduced by the payment, if any, made by the Government of the importing country pursuant to the proviso in Section 103(b) of the Act (such payment is herein called 'the currency use payment'). The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the Government of the importing country to private or non-governmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall furnish, in accordance with its fiscal year budget reporting procedures, at such times as may be requested by the Government of the exporting country but not less than annually, a report of the receipt and expenditure of the proceeds, certified by the appropriate audit authority of the Government of the importing country, and in the case of expenditures the budget sector in which they were used."

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

DONE at La Paz in duplicate, this twentieth day of December of nineteen seventy two.

For the Government of the United States of America:

*[Signed]*

ROGER C. BREWIN

For the Government of Bolivia:

*[Signed]*

MARIO GUTIÉRREZ GUTIÉRREZ

*[Signed]*

HÉCTOR ORMACHEA PEÑARANDA

*[Signed]*

LUIS BEDREGAL RODÓ

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND BOLIVIA  
AMENDING THE AGREEMENT OF 20 DECEMBER 1972<sup>2</sup> FOR  
SALES OF AGRICULTURAL COMMODITIES

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I

*The American Ambassador to the Bolivian Minister  
of Foreign Affairs and Worship*

November 9, 1973

No. 278

Excellency:

I have the honor to refer to the agricultural commodities Public Law 480, Title I Agreement signed by the representatives of our two Governments on December 20, 1972,<sup>2</sup> and to propose that said Agreement be amended to increase the export market value for wheat and/or wheat flour to \$15,590,000 and the total increased to \$16,640,000. All other terms and conditions of the Agreement would remain the same. I propose that this note and your reply concurring therein constitute an agreement between our two Governments on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLIAM STEDMAN

His Excellency Dr. Mario Gutiérrez Gutiérrez  
Minister of Foreign Affairs and Worship  
La Paz

II

[SPANISH TEXT — TEXTE ESPAGNOL]

REPÚBLICA DE BOLIVIA  
MINISTERIO DE RELACIONES EXTERIORES Y CULTO

La Paz, 9 de noviembre de 1973

DGAE/0/1534

Excmo. Señor Embajador:

Tengo el agrado de acusar recibo de la atenta nota N.º 278 del 9 de los corrientes de Vuestra Excelencia y cuyo tenor es el siguiente:

«N.º 278. La Paz, 9 noviembre de 1973. Su Excelencia: Tengo el honor de referirme al Convenio de los productos agrícolas, bajo la Ley Pública 480,

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<sup>1</sup> Came into force on 9 November 1973, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> See p. 50 of this volume.

Título I, firmado por representantes de nuestros dos Gobiernos el 20 de diciembre de 1972 y de proponer que el mencionado Convenio sea enmendado para elevar el valor del mercado de exportación de trigo y/o harina de trigo a \$.us. 15,590,000 y un aumento total a \$.us. 16,640,000. Todos los demás términos y condiciones del Convenio continuarán siendo los mismos. Le sugeriría señor Ministro, que esta Nota y la contestación a la misma, constituyan un Convenio entre nuestros dos Gobiernos en la fecha que se reciba la respuesta. Aprovecho de esta oportunidad para saludar a Su Excelencia con las seguridades de mi consideración distinguida. Su Excelencia. Dr. Mario Gutiérrez Gutiérrez. Ministro de Relaciones Exteriores y Culto. La Paz (*firmado*) WILLIAM P. STEDMAN, JR. Embajador de los Estados Unidos de América.»

En respuesta cúmpleme manifestar a Vuestra Excelencia que mi Gobierno está de pleno acuerdo con los términos de la nota arriba transcrita, la misma que estima como acuerdo formal entre las Partes.

Aprovecho la oportunidad para renovar a Vuestra Excelencia las seguridades de mi consideración más distinguida.

[Signed — Signé]

GUILLERMO CÉSPEDES RIVERA  
Subsecretario de Relaciones Exteriores

A Su Excelencia William P. Stedman, Jr.  
Embajador de los Estados Unidos de América  
Presente

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

REPUBLIC OF BOLIVIA  
MINISTRY OF FOREIGN AFFAIRS AND WORSHIP

La Paz, November 9, 1973

DGAE/0/1534

Mr. Ambassador:

I have the pleasure of acknowledging receipt of Your Excellency's note No. 278 of November 9, 1973, which reads as follows:

[See note I]

In reply, I am happy to inform Your Excellency that my Government concurs fully in the terms of the above-transcribed note, and regards it as a formal agreement between the Parties.

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

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

I avail myself of the opportunity to renew to Your Excellency the assurance of my most distinguished consideration.

*[Signed]*

GUILLERMO CÉSPEDES RIVERA  
Under Secretary of Foreign Affairs

His Excellency William P. Stedman, Jr.  
Ambassador of the United States of America  
La Paz

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND BOLIVIA  
AMENDING THE AGREEMENT OF 20 DECEMBER 1972, AS  
AMENDED,<sup>2</sup> FOR SALES OF AGRICULTURAL COMMODITIES

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I

*The American Ambassador to the Bolivian Minister of Foreign Affairs*

La Paz, December 28, 1973

No. 347

Excellency:

I have the honor to refer to the Agricultural Commodities, PL 480 Title I Agreement signed by representatives of our two Governments on December 20, 1972, and amended November 9, 1973,<sup>2</sup> and to propose a further amendment to change:

A. Part II, item I, under the heading Supply Period by adding: "and 1974."

B. Part II, item III, entitled Usual Marketing Requirements under the heading Import Period by adding: "and 1974."

The above changes refer only to wheat/wheat flour. I propose that this note and your reply concurring therein constitute an agreement between our two Governments effective on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLIAM STEDMAN

His Excellency General Alberto Guzmán Soriano  
Minister of Foreign Affairs  
La Paz

II

[SPANISH TEXT — TEXTE ESPAGNOL]

REPÚBLICA DE BOLIVIA  
MINISTERIO DE RELACIONES EXTERIORES Y CULTO

La Paz, 28 de diciembre de 1973

N.º DGAE-B/1789/76

Excmo. Señor Embajador:

Tengo el agrado de acusar recibo de la atenta nota de Vuestra Excelencia N.º 347, de 28 de diciembre en curso, cuyo tenor es el siguiente:

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<sup>1</sup> Came into force on 28 December 1973, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> See pp. 50 and 58 of this volume.

«N.º 347. La Paz, 28 de diciembre de 1973. Excelencia — Tengo el honor de referirme al Convenio para la venta de Productos Agrícolas bajo la Ley Pública 480, Título I, suscrito por representantes de nuestros dos gobiernos el 20 de diciembre de 1972 y enmendado el 9 de noviembre de 1973 y proponer una enmienda adicional: A. Parte II, Item I, bajo Período de Abastecimiento agregando «y 1974». B. Parte II, Item III, en Requisitos Normales de Mercado bajo el título Período de Importación, agregando: «y 1974». Los cambios anteriores se refieren solamente a trigo y harina de trigo. Propongo que esta nota y su respuesta concurren a constituir un acuerdo entre nuestros dos gobiernos, vigente desde la fecha de vuestra nota de respuesta. Reitero a Vuestra Excelencia las seguridades de mi más alta consideración. Su Excelencia. General Alberto Guzmán Soriano. Ministro de Relaciones Exteriores. La Paz. (*firmado*) WILLIAM P. STEDMAN JR. Embajador de los Estados Unidos de América.»

En respuesta, me cumple manifestar a Vuestra Excelencia que mi Gobierno está de pleno acuerdo con los términos de la nota arriba transcrita, la misma que considera como un acuerdo formal entre las Partes.

Aprovecho la oportunidad para renovar a Vuestra Excelencia, las seguridades de mi más distinguida consideración.

[Signed — Signé]

Gral. ALBERTO GUZMÁN SORIANO  
Ministro de Relaciones Exteriores y Culto

A Su Excelencia William P. Stedman, Jr.  
Embajador de los Estados Unidos de América  
Presente

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

REPUBLIC OF BOLIVIA  
MINISTRY OF FOREIGN AFFAIRS AND WORSHIP

La Paz, December 28, 1973

No. DGAE-B/1789/76

Mr. Ambassador:

I have the pleasure of acknowledging receipt of Your Excellency's note No. 347 of December 28, 1973, which reads as follows:

[See note I]

In reply, I have the honor to inform Your Excellency that my Government is in full agreement with the terms of the above-transcribed note, which it regards as a formal agreement between the Parties.

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

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

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

*[Signed]*

General ALBERTO GUZMÁN SORIANO  
Minister of Foreign Affairs and Worship

His Excellency William P. Stedman, Jr.  
Ambassador of the United States of America  
La Paz

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