

**No. 14155**

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**DENMARK  
and  
INDIA**

**Exchange of notes constituting an agreement concerning a  
Danish grant to India. New Delhi, 17 December 1974  
and 7 April 1975**

*Authentic text: English.*

*Registered by Denmark on 8 August 1975.*

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**DANEMARK  
et  
INDE**

**Échange de notes constituant un accord relatif à un don du  
Danemark à l'Inde. New Delhi, 17 décembre 1974 et  
7 avril 1975**

*Texte authentique: anglais.*

*Enregistré par le Danemark le 8 août 1975.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF DENMARK AND THE  
GOVERNMENT OF INDIA CONCERNING A DANISH GRANT  
TO INDIA

I

MINISTRY OF FINANCE  
DEPT. OF ECONOMIC AFFAIRS

New Delhi, the 17th December, 1974

No. 19/51/74-1A

J. R. Hiremath  
Joint Secretary

Dear Mr. Jespersen,

It has been a pleasure to have had you here for the annual review of DANIDA-assisted projects in the country. The discussions from the 12th December till date have been extremely useful and have helped in organising a better implementation of our bilateral development cooperation programme.

2. As you would have noted, during the current year 1974-75 there have been certain shortfalls in utilisation in the ongoing projects. This has been occasioned by a variety of reasons. Because of the huge import bills for various commodities, the inflationary pressures within the economy and the marginal shortfall in total food production, the budgetary constraints this year have been rather acute. The cumulative effect of these factors is that various budgetary outlays have had to be readjusted in the course of the financial year. Because of this, there has been some deceleration in the pace of implementation of even ongoing projects. Some of the projects which are yet to get off the ground have even been postponed to the next year.

3. But it should be our common concern to see that this does not result in a fall in absorption of funds provided for the current year under the bilateral programme. As you are aware, for the year 1974-75, D.Kr. 25 million was set apart, of which around D.Kr. 5 million is likely to be the gap in utilisation. I would like to propose that this unexpended sum should be utilised for import of certain scarce agricultural inputs. Agricultural production has been accorded the highest priority in Indian planning and this sector acquires added importance now, in view of the marginal shortage in food production. It is, therefore, suggested that the unutilised funds of the current year's allocation be used for the import of fertilisers and/or pesticides. Since Danish assistance is untied, these funds could be applied for the purchase of fertilisers and/or pesticides on a global basis. Our preference for these commodities and the order of priority would be as follows:

<i>Fertilisers</i>	<i>Pesticides</i>
Urea	Endrin
Di Ammonium Phosphate (DAP)	Endosulfan
Calcium Ammonium Nitrate (CAN)	Carboryl

<sup>1</sup> Came into force on 7 April 1975 by the exchange of the said notes.

I would be grateful for confirmation that this proposal would be acceptable to the Danish Government.

With kind regards,  
Yours sincerely,

[Signed]  
J. R. HIREMATH

Mr. Hans Jespersen  
Head of Department  
Ministry of Foreign Affairs  
DANIDA  
Camp New Delhi

## II

ROYAL DANISH EMBASSY  
NEW DELHI

7 April 1975

Ref.104. Dan.13

Sir,

I have the honour to refer to your letter No. 19/51/74-IA dated 17th December, 1974, to Mr. Hans Jespersen, Head of Department, Ministry of Foreign Affairs of Denmark, in which you have proposed that an unutilized amount of Danish kroner 5 million of the Danish allocation for the year 1974-75 for development projects in India be utilized for purchase of fertilizers and/or pesticides.

Acting upon instructions I hereby inform you that your above-mentioned proposal is acceptable to the Government of Denmark, and that, accordingly, the Danish International Development Agency (DANIDA) has purchased 2350 metric tons of urea in bulk, the quality of which is specified as follows:

“American agricultural grade, nitrogen 46 per cent minimum, moisture 1 per cent maximum, biuret 79 per cent maximum, freeflowing.”

Shipment has taken place at San Gwoxo, California, U.S.A., about 1st April, 1975, on the Greek vessel *Johny B* which is due to arrive in India in the beginning of May, 1975.

This delivery of urea is a grant to the Government of India for distribution through local co-operatives which will sell the fertilizer to the farmers.

[Signed]  
Dr. K. A. KRISTENSEN  
Attache Technical Co-operation

Mr. J. R. Hiremath  
Joint Secretary  
Ministry of Finance  
Department of Economic Affairs  
Government of India  
New Delhi