No. 15866

UNITED STATES OF AMERICA
and
PAKISTAN

Agreement for sales of agricultural commodities (with minutes of the meeting held on 19 November 1974). Signed at Islamabad on 23 November 1974

Exchange of notes constituting an agreement amending the above-mentioned Agreement (with minutes of the meeting held on 24 February 1975). Islamabad, 3 March 1975

Exchange of notes constituting an agreement amending the above-mentioned Agreement of 23 November 1974, as amended. Islamabad, 27 May 1975

Authentic texts: English.

Registered by the United States of America on 25 August 1977.

AGREEMENT[1] 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,

Recognizing the desirability of expanding trade in agricultural commodities between the United States of America (hereinafter referred to as the exporting country) and the Government of Pakistan (hereinafter referred to as the importing country) and with other friendly countries in a manner that will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;

Taking into account the importance to developing countries of their efforts to help themselves toward a greater degree of self-reliance, including efforts to meet their problems of food production and population growth;

Recognizing the policy of the exporting country to use its agricultural productivity to combat hunger and malnutrition in the developing countries, to encourage these countries to improve their own agricultural production, and to assist them in their economic development;

Recognizing the determination of the importing country to improve its own production, storage, and distribution of agricultural food products, including the reduction of waste in all stages of food handling;

Desiring to set forth the understandings that will govern the sales of agricultural commodities to the importing country pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act), and the measures that the two Governments will take individually and collectively in furthering the above-mentioned policies;

Have agreed as follows:

PART I. GENERAL PROVISIONS

Article I

A. The Government of the exporting country undertakes to finance the sale of agricultural commodities to purchasers authorized by the Government of the importing country in accordance with the terms and conditions set forth in this agreement.

B. The financing of the agricultural commodities listed in Part II of this agreement will be subject to:

1. the issuance by the Government of the exporting country of purchase authorizations and their acceptance by the Government of the importing country; and
2. the availability of the specified commodities at the time of exportation.

[1] Came into force on 23 November 1974 by signature, in accordance with part III (A).

C. Application for purchase authorizations will be made within 90 days after the effective date of this agreement, and, with respect to any additional commodities or amounts of commodities provided for in any supplementary agreement, within 90 days after the effective date of such supplementary agreement. Purchase authorizations shall include provisions relating to the sale and delivery of such commodities, and other relevant matters.

D. Except as may be authorized by the Government of the exporting country, all deliveries of commodities sold under this agreement shall be made within the supply periods specified in the commodity table in Part II.

E. The value of the total quantity of each commodity covered by the purchase authorizations for a specified type of financing authorized under this agreement shall not exceed the maximum export market value specified for that commodity and type of financing in Part II. The Government of the exporting country may limit the total value of each commodity to be covered by purchase authorizations for a specified type of financing as price declines or other marketing factors may require, so that the quantities of such commodity sold under a specified type of financing will not substantially exceed the applicable approximate maximum quantity specified in Part II.

F. The Government of the exporting country shall bear the ocean freight differential for commodities the Government of the exporting country requires to be transported in United States flag vessels (approximately 50 percent by weight of the commodities sold under the agreement). The ocean freight differential is deemed to be the amount, as determined by the Government of the exporting country, by which the cost of ocean transportation is higher (than would otherwise be the case) by reason of the requirement that the commodities be transported in United States flag vessels. The Government of the importing country shall have no obligation to reimburse the Government of the exporting country for the ocean freight differential borne by the Government of the exporting country.

G. Promptly after contracting for United States flag shipping space to be used for commodities required to be transported in United States flag vessels, and in any event not later than presentation of vessel for loading, the Government of the importing country or the purchasers authorized by it shall open a letter of credit, in United States dollars, for the estimated cost of ocean transportation for such commodities.

H. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

Article II

A. *Initial Payment*

The Government of the importing country shall pay, or cause to be paid, such initial payment as may be specified in Part II of this agreement. The amount of this payment shall be that portion of the purchase price (excluding any ocean transportation costs that may be included therein) equal to the percentage specified for initial payment in Part II and payment shall be made in United States dollars in accordance with the applicable purchase authorization.

B. *Currency Use Payment*

The Government of the importing country shall pay, or cause to be paid, upon demand by the Government of the exporting country in amounts as it may determine, but in any event no later than one year after the final disbursement by the Commodity Credit Corporation under this agreement, or the end of the supply period, whichever is later, such payment as may be specified in Part II of this agreement pursuant to Section 103(*b*) of the Act (hereinafter referred to as the Currency Use Payment). The currency use payment shall be that portion of the amount financed by the exporting country equal to the percentage specified for currency use payment in Part II. Payment shall be made in accordance with paragraph H and for purposes specified in Subsection 104(*a*), (*b*), (*e*) and (*h*) of the act, as set forth in Part II of this agreement. Such payment 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. Unless otherwise specified in Part II, no requests for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation of the exporting country under this agreement.

C. *Type of Financing*

Sales of the commodities specified in Part II shall be financed in accordance with the type of financing indicated therein. Special provisions relating to the sale are also set forth in Part II.

D. *Credit Provisions*

1. With respect to commodities delivered in each calendar year under this agreement, the principal of the credit (hereinafter referred to as principal) will consist of the dollar amount disbursed by the Government of the exporting country for the commodities (not including any ocean transportation costs) less any portion of the initial payment payable to the Government of the exporting country.

The principal shall be paid in accordance with the payment schedule in Part II of this agreement. The first installment payment shall be due and payable on the date specified in Part II of this agreement. Subsequent installment payments shall be due and payable at intervals of one year thereafter. Any payment of principal may be made prior to its due date.

2. Interest on the unpaid balance of the principal due the Government of the exporting country for the commodities delivered in each calendar year shall be paid as follows:

a. In the case of Dollar Credit, interest shall begin to accrue on the date of last delivery of these commodities in each calendar year. Interest shall be paid not later than the due date of each installment payment of principal, except that if the date of the first installment is more than a year after such date of last delivery, the first payment of interest shall be made not later than the anniversary date of such date of last delivery and thereafter payment of interest shall be made annually and not later than the due date of each installment payment of principal.

b. In the case of Convertible Local Currency Credit, interest shall begin to accrue on the date of dollar disbursement by the Government of the exporting country. Such interest shall be paid annually beginning one year after the date of last delivery of commodities in each calendar year, except that if the installment payments for these commodities are not due on some anniversary of such date of last delivery, any such interest accrued on the due date of the first installment payment shall be due on the same date as the first installment and thereafter such interest shall be paid on the due dates of the subsequent installment payments.

3. For the period of time from the date the interest begins to the due date for the first installment payment, the interest shall be computed at the initial interest rate specified in Part II of this agreement. Thereafter, the interest shall be computed at the continuing interest rate specified in Part II of this agreement.

E. *Deposit of Payments*

The Government of the importing country shall make, or cause to be made, payments to the Government of the exporting country in the currencies, amounts, and at the exchange rates provided for in this agreement as follows:

1. Dollar payments shall be remitted to the Treasurer, Commodity Credit Corporation, United States Department of Agriculture, Washington, D.C. 20250, unless another method of payment is agreed upon by the two Governments.
2. Payments in the local currency of the importing country (hereinafter referred to as local currency), shall be deposited to the account of the Government of the United States of America in interest-bearing accounts in banks selected by the Government of the United States of America in the importing country.

F. *Sales Proceeds*

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 purposes 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 currency use payment, if any, made by the Government of the importing country. 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 procedure, at such times as may be requested by the Government of the exporting country but not less often 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 case of expenditures the budget sector in which they were used.

G. *Computations*

The computation of the initial payment, currency use payment and all payments of principal and interest under this agreement shall be made in United States dollars.

H. *Payments*

All payments shall be in United States dollars or, if the Government of the exporting country so elects,

1. the payments shall be made in readily convertible currencies of third countries at a mutually agreed rate of exchange and shall be used by the Government of the exporting country for payment of its obligations or, in the case of currency use payments, used for the purposes set forth in Part II of this agreement; or
2. the payments shall be made in local currency at the applicable exchange rate specified in Part I, Article III, G, of this agreement in effect on the date of payment and shall, at the option of the Government of the exporting country, be converted to United States dollars at the same rate, or used by the Government of the exporting country for payment of its obligations or, in the case of currency use payments, used for the purposes set forth in Part II of this agreement in the importing country.

Article III

A. *World Trade*

The two Governments shall take maximum precautions to assure that sales of agricultural commodities pursuant to this agreement will not displace usual marketings of the exporting country in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with countries the Government of the exporting country considers to be friendly to it (referred to in this agreement as friendly countries). In implementing this provision the Government of the importing country shall:

1. insure that total imports from the exporting country and other friendly countries into the importing country paid for with the resources of the importing country will equal at least the quantities of agricultural commodities as may be specified in the usual marketing table set forth in Part II during each import period specified in the table and during each subsequent comparable period in which commodities financed under this agreement are being delivered. The imports of commodities to satisfy these usual marketing requirements for each import period shall be in addition to purchases financed under this agreement;
2. take steps to assure that the exporting country obtains a fair share of any increase in commercial purchases of agricultural commodities by the importing country;
3. take all possible measures to prevent the resale, diversion in transit, or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, diversion in transit, transshipment or use is specifically approved by the Government of the United States of America); and

4. take all possible measures to prevent the export of any commodity of either domestic or foreign origin, which is defined in Part II of this agreement, during the export limitation period specified in the export limitation table in Part II (except as may be specified in Part II or where such export is otherwise specifically approved by the Government of the United States of America).

B. *Private Trade*

In carrying out the provisions of this agreement, the two Governments shall seek to assure conditions of commerce permitting private traders to function effectively.

C. *Self-Help*

Part II describes the program the Government of the importing country is undertaking to improve its production, storage, and distribution of agricultural commodities. The Government of the importing country shall furnish in such form and at such time as may be requested by the Government of the exporting country, a statement of the progress the Government of the importing country is making in carrying out such self-help measures.

D. *Reporting*

In addition to any other reports agreed upon by the two Governments, the Government of the importing country shall furnish at least quarterly for the supply period specified in Part II, Item I, of this agreement and any subsequent comparable period during which commodities purchased under this agreement are being imported or utilized:

1. the following information in connection with each shipment of commodities under the agreement: the name of each vessel; the date of arrival; the port of arrival; the commodity and quantity received; and the condition in which received;
2. a statement by it showing the progress made toward fulfilling the usual marketing requirements;
3. a statement of the measures it has taken to implement the provision of Sections A 2 and 3 of this Article; and
4. statistical data on imports by country of origin and exports by country of destination, of commodities which are the same as or like those imported under the agreement.

E. *Procedures for Reconciliation and Adjustment of Accounts*

The two Governments shall each establish appropriate procedures to facilitate the reconciliation of their respective records on the amounts financed with respect to the commodities delivered during each calendar year. The Commodity Credit Corporation of the exporting country and the Government of the importing country may make such adjustments in the credit accounts as they mutually decide are appropriate.

F. *Definitions*

For the purposes of this agreement:

1. delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of lading which has been signed or initialed on behalf of the carrier;

2. import shall be deemed to have occurred when the commodity has entered the country, and passed through customs, if any, of the importing country; and

3. utilization shall be deemed to have occurred when the commodity is sold to the trade within the importing country without restriction on its use within the country or otherwise distributed to the consumer within the country.

G. *Applicable Exchange Rate*

For the purposes of this agreement, the applicable exchange rate for determining the amount of any local currency to be paid to the Government of the exporting country shall be a rate in effect on the date of payment by the importing country which is not less favorable to the Government of the exporting country than the highest exchange rate legally obtainable in the importing country and which is not less favorable to the Government of the exporting country than the highest exchange rate obtainable by any other nation. With respect to local currency:

1. As long as a unitary exchange rate system is maintained by the Government of the importing country, the applicable exchange rate will be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency.
2. If a unitary rate system is not maintained, the applicable rate will be the rate (as mutually agreed by the two Governments) that fulfills the requirements of the first sentence of this Section G.

H. *Consultation*

The two Governments shall, upon request of either of them, consult regarding any matter arising under this agreement, including the operation of arrangements carried out pursuant to this agreement.

I. *Identification and Publicity*

The Government of the importing country shall undertake such measures as may be mutually agreed prior to delivery for the identification of food commodities at points of distribution in the importing country, and for publicity in the same manner as provided for in subsection 103(*l*) of the Act.

PART II. PARTICULAR PROVISIONS

Item I. COMMODITY TABLE

Commodity	*Supply Period (U.S. Fiscal Year)*	*Approximate Maximum Quantity (Metric Tons)*	*Maximum Export Market Value (Millions)*
Wheat/wheat flour (grain basis)	1975	100,000	$18.0

Item II. PAYMENT TERMS

Convertible Local Currency Credit

A. Initial Payment—5 percent.

B. Currency Use Payment—None.

C. Number of Installment Payments—31.

D. Amount of Each Installment Payment—Approximately equal annual amounts.

E. Due Date of First Installment—ten years after date of last delivery of commodities in each calendar year.

F. Initial Interest Rate—2 percent per annum.

G. Continuing Interest Rate—3 percent per annum.

Item III. USUAL MARKETING TABLE

Commodity	*Import Period (U.S. Fiscal Year)*	*Usual Marketing Requirements (Metric Tons)*
Wheat and/or wheat flour (on a grain equivalent basis).....	1975	160,300

Item IV. EXPORT LIMITATION

A. The export limitation period shall be United States fiscal year 1975 or any subsequent United States fiscal year during which commodities financed under this agreement are being imported or utilized.

B. For the purposes of Part I, Article III, A, 4, of the agreement, the commodities which may not be exported are: for wheat/wheat flour—wheat, wheat flour, rolled wheat, semolina, farina, and bulgur (or the same product under a different name).

Item V. SELF-HELP MEASURES

The Government of Pakistan agrees to:

1. give high priority to the agricultural development portion of the annual budget with emphasis on increased production and improved marketing of crops and livestock for consumption;
2. identify needs for increased or improved storage facilities and develop plans to meet such needs;
3. expand field trials and research to identify economic applications of fertilizers, and improve the distribution of fertilizer to meet needs identified;
4. expand and strengthen agricultural research by increased training of staff, improved facilities as needs are identified, and adequate funding of programs;
5. enhance the protection of crops against disease and insects through applied research, field trials of alternate treatments, and implementation of measures identified;
6. improve management of water resources by means of land leveling, improved irrigation practices;
7. improve the availability of agricultural credit for the private sector to purchase modern agricultural inputs and for land improvement.
8. identify through research and field trials systems of crop diversification to capitalize on seasonal cropping opportunities resulting from unusual rainfall situations, and ways to supply needed inputs relating to these conditions.

[*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 agriculture and economic development sectors:

—Agriculture
—Water Resources
—Power
—Transportation and Communications
—Education and Training
—Health and Population Planning

PART III. FINAL PROVISIONS

A. This agreement may be terminated by either Government by notice of termination to the other Government for any reason, and by the Government of the exporting country if it should determine that the self-help program described in the agreement is not being adequately developed. Such termination will not reduce any financial obligations the Government of the importing country has incurred as of the date of termination.

This Agreement shall enter into force upon signature.

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

DONE at Islamabad, in duplicate, this twenty-third day of November, 1974.

For the Government of Pakistan:

By: [*Signed*]

Name: AFTAB AHMAD KHAN
Title: Secretary, Economic Affairs Division

For the Government of the United States of America:

By: [*Signed*]

Name: HENRY A. BYROADE
Title: The Ambassador of the United States of America

MINUTES OF THE MEETING HELD NOVEMBER 19, 1974, REGARDING THE FISCAL YEAR 1975 PL 480, TITLE I AGREEMENT OF NOVEMBER 23, 1974

The following operational aspects and special provisions were discussed:

1. *Government of Pakistan (GOP) Request for Vegetable Oil*

The United States Government (USG) representatives advised the GOP representatives that the USG was not able to respond favorably to the GOP's fiscal year 1975 request for vegetable oil under Title I of PL 480. The USG representatives stressed that Pakistan should be aware of this fact in assessing its domestic and import requirements of vegetable oil for the coming year. The GOP representatives took note of this fact

and expressed the hope that it might be possible for the USG to resume the supply of vegetable oil at some future date. The USG representatives made no commitment with respect to future availability of vegetable oil.

2. *Commodity and Funding Availabilities*

The USG representatives called the GOP's particular attention to Article I, E, of Part I of the Agreement which provides that the export market value specified in Part II shall not be exceeded. This means that if commodity prices increase over those used in determining the quantities and market values indicated in Part II of the Agreement, the quantity to be financed under the Agreement will be less than the approximate maximum quantity set forth in Part II. Should commodity prices decrease, however, the quantities of commodities to be financed will be limited to those specified in Part II. The GOP representatives took note of this fact but expressed the hope that there would be an increase in future PL 480 funding availabilities to offset recent commodity price increases. The USG representatives made no commitment with respect to future PL 480 availabilities.

3. *Supply Period*

The USG representatives pointed out that because of the limitations on PL 480 availabilities in fiscal year 1975, it may become necessary for the USG to withhold some shipments during the supply period or possibly carry over shipments into the next supply period. Although such action can be taken pursuant to the Agreement, the USG representatives explained that they had been instructed to bring this matter to the attention of the GOP representatives in order to avoid any misunderstanding in the event the USG is unable to implement fully the amounts provided for in the Agreement. The GOP representatives took note of the USG position but expressed the hope that the commodities to be financed under the Agreement would arrive in Pakistan at the earliest possible time—and preferably by mid-January 1975.

4. *Purchase Authorizations*

The USG representatives called attention to the fact that purchase authorizations will be issued in increments not exceeding 50,000 metric tons of wheat.

5. *Usual Marketing Requirements*

The USG representatives called attention to Part II, Item III, of the Agreement which provides for Usual Marketing Requirements (UMR) of 160,300 metric tons of wheat and/or wheat flour (on a grain equivalent basis) for the import period of fiscal year 1975. Although Pakistan's commercial imports over a 5-year period (FY 1970 through FY 1974) would represent an average import level of 220,000 metric tons, the UMR of 160,300 metric tons (*a*) reflects the UMR level established earlier in the year by the Common Market (EEC), and (*b*) takes into account Pakistan's current economic and financial situation. However, the USG representatives noted that the UMR will be thoroughly reviewed during the year and this review may result in a larger UMR being required at some future date. The GOP representatives took note of the USG position but pointed out that part of Pakistan's commercial imports in FY 1970 and FY 1971 were used in East Pakistan. The GOP representatives expressed the hope that a UMR would be established in future that would fully take into account the balance of payments situation of Pakistan and developmental efforts undertaken by the GOP.

6. *Minutes of Previous PL 480 Agreements*

It was agreed that paragraph A of the Minutes of the meeting held August 2, 1972,[1] regarding the PL 480 Title I Agreement of September 21, 1972,[2] is applicable to this Agreement.

[1] See p. 195 of this volume.
[2] United Nations, *Treaty Series*, vol. 852, p. 71.

7. *Export Limitations*

The USG representatives called attention to the export limitation clauses in Item IV of Part II of the Agreement.

8. *Self-Help*

The GOP representatives were reminded that its Annual Self-Help Report is due on December 1.

9. *Deposit Rate*

The deposit rate for this Agreement will be the highest legally obtainable and not less favorable than the highest of exchange rates obtained by any other nation.

10. *Identification and Publicity*

The representatives of the two Governments reaffirmed that arrangements for identification and publicity agreed to in paragraph A(5) of the Minutes of the meeting held August 2, 1972, regarding the PL 480, Title I Agreement of September 21, 1972, would apply to this Agreement.

11. *Reporting*

The USG representatives called attention to the importing country's responsibilities for the timely submission of reports. The reports required under the Agreement include information on the arrival and disposition of commodities and on the use of sales proceeds.

The above sets forth the understanding between the Government of Pakistan and the United States Government.

For the Government of Pakistan:

By: [*Signed*]

Name: AFTAB AHMAD KHAN
Title: Secretary, Economic Affairs Division

For the Government of the United States of America:

By: [*Signed*]

Name: HENRY A. BYROADE
Title: The Ambassador of the United States of America

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND PAKISTAN AMENDING THE AGREEMENT OF 23 NOVEMBER 1974[2] FOR SALES OF AGRICULTURAL COMMODITIES

I

EMBASSY OF THE UNITED STATES OF AMERICA
ISLAMABAD

March 3, 1975

Sir:

I have the honor to refer to the Title I Public Law 480 Agricultural Sales Agreement signed by the representatives of our two Governments on November 23, 1974,[2] and to propose that the Agreement be amended as follows:

In Part II, Item I, Commodity Table: Under the appropriate columns for Wheat/wheat flour, delete "100,000" and "$18.0" and insert in lieu thereof "400,000" and "$66.8" respectively.

Except as amended hereby, all other terms and conditions of the November 23, 1974, Agreement shall remain in full force and effect.

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 effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration.

[*Signed*]
HENRY A. BYROADE
Ambassador

Mr. M. I. K. Khalil
Joint Secretary
Economic Affairs Division
Ministry of Finance, Planning and Economic Affairs
Government of Pakistan
Islamabad

[1] Came into force on 3 March 1975, the date of the note in reply, in accordance with the provisions of the said notes.
[2] See p. 162 of this volume.

II

Mr. M. I. K. Khalil
Joint Secretary

GOVERNMENT OF PAKISTAN
MINISTRY OF FINANCIAL PLANNING AND ECONOMIC AFFAIRS
(Economic Affairs Division)

Islamabad, the 3rd March, 1975

No. 1 (2) US-VI/74

Dear Mr. Ambassador,

I have the honour to acknowledge with thanks the receipt of your letter dated March 3, 1975, proposing to amend our PL 480 Title I Agreement of November 23, 1974, to provide for the delivery of an additional quantity of 300,000 tons of wheat to Pakistan valued at $48.8 million approximately.

2. The text of your letter under reference is reproduced below:

[*See note I*]

3. 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.

Yours sincerely,

[*Signed*]
M. I. K. KHALIL

Mr. Henry A. Byroade
Ambassador of the United States of America in Pakistan
Islamabad

MINUTES OF THE MEETING HELD FEBRUARY 24, 1975, REGARDING THE MARCH 3, 1975, AMENDMENT TO THE FISCAL YEAR 1975 PL 480, TITLE I AGREEMENT SIGNED ON NOVEMBER 23, 1974

The Government of Pakistan (GOP) and United States Government (USG) representatives agreed that the Minutes of the meeting held on November 19, 1974, regarding the Fiscal Year 1975 PL 480, Title I Agreement of November 23, 1974, would likewise be applicable to the March 3, 1975, amendment, except that paragraphs 3 and 4 of the Minutes would be changed to read as follows:

3. *Supply Period.*

The USG representatives pointed out that under the Agreement the USG has the right to withhold shipments during the supply period or possibly carry over shipments into the next supply period. However, the GOP representatives expressed the hope that the wheat to be provided under the PL 480 amendment can be shipped to Pakistan as rapidly as possible, on an urgent basis so it will arrive not later than the end of the fiscal year to tide over the present wheat supply position in Pakistan.

4. *Purchase Authorizations.*

This limitation is hereby deleted.

The above sets forth the understanding between the Government of Pakistan and the United States Government.

For the Government of Pakistan:

By: [*Signed*]

Name: M. I. K. KHALIL

Title: Joint Secretary, Economic Affairs Division

For the Government of the United States of America:

By: [*Signed*]

Name: HENRY A. BYROADE

Title: The Ambassador of the United States of America

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF PAKISTAN AMENDING THE AGREEMENT OF 23 NOVEMBRE 1974[2] FOR SALES OF AGRICULTURAL COMMODITIES, AS AMENDED[3]

I

EMBASSY OF THE UNITED STATES OF AMERICA
ISLAMABAD

May 27, 1975

Sir:

I have the honor to refer to the Title I, Public Law 480 Agricultural Sales Agreement signed by the representatives of our two Governments on November 23, 1974,[2] as amended March 3, 1975,[3] and to propose that the Agreement be further amended as follows:

In Part II, Item I, Commodity Table: (1) Under the appropriate columns for Wheat/wheat flour, delete "400,000" and "$66.8" and insert in lieu thereof "465,000" and "$75.3" respectively; (2) Under "Maximum Export Market Value", underline "$75.3" and add the following: "Total: $75.3".

Except as amended hereby, all other terms and conditions of the November 23, 1974, Agreement, as amended, shall remain in full force and effect.

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 effective on the date of your note in reply.

Please accept the renewed assurances of my highest consideration.

[*Signed*]
HENRY A. BYROADE
Ambassador

Mr. Aftab Ahmad Khan
Secretary
Economic Affairs Division
Ministry of Finance, Planning and Economic Affairs
Government of Pakistan
Islamabad

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[1] Came into force on 27 May 1975, the date of the note in reply, in accordance with the provisions of the said notes.
[2] See p. 162 of this volume.
[3] See p. 173 of this volume.

II

GOVERNMENT OF PAKISTAN
MINISTRY OF FINANCE, PLANNING AND DEVELOPMENT
(Economic Affairs Division)

Islamabad, the 27th May 1975

No. 1(2)US-VI/75

Dear Mr. Ambassador,

I have the honour to acknowledge with thanks the receipt of your letter dated May 27, 1975, proposing further to amend our PL-480 Title-I Agreement of November 23, 1974, as amended on March 3, 1975, to provide for the delivery of an additional quantity of 65,000 tons of wheat to Pakistan valued at $8.5 million approximately.

2. The text of your letter under reference is reproduced below:

[*See note I*]

3. 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.

With kind regards, Yours sincerely,

[*Signed*]
AFTAB AHMAD KHAN
Secretary

Mr. Henry A. Byroade
Ambassador of the USA in Pakistan
Islamabad