

No. 16823

**UNITED STATES OF AMERICA
and
PAKISTAN**

Memorandum of agreement relating to provision of aviation parts and services. Signed on 23 November and 20 December 1976

Authentic text: English.

Registered by the United States of America on 10 July 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
PAKISTAN**

Mémorandum d'accord relatif à la fourniture de pièces détachées pour l'aviation et à la prestation de services connexes. Signé les 23 novembre et 20 décembre 1976

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 10 juillet 1978.

MEMORANDUM OF AGREEMENT¹ BETWEEN UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, AND GOVERNMENT OF PAKISTAN, DEPARTMENT OF CIVIL AVIATION

WHEREAS, the U.S. Department of Transportation, Federal Aviation Administration, hereinafter referred to as the FAA, is in a position to furnish, directly or by contract, certain equipment and services which the Department of Civil Aviation of the Government of Pakistan, hereinafter referred to as the DCA, requires, has funds available for, and has determined should be obtained from the FAA; and

WHEREAS, Section 305 of the Federal Aviation Act of 1958, as amended, directs the FAA to encourage and foster the development of civil aeronautics and air commerce in the United States and abroad, and Section 5 of the International Aviation Facilities Act of 1948, as amended, authorizes the FAA to accept funds from any foreign government as payment for any facilities supplied or services performed for such government; and

WHEREAS, by virtue of determination made by the Agency for International Development, under authority of Section 607(a) of the Foreign Assistance Act of 1961, as amended, the FAA is authorized to furnish equipment and services to the DCA;

NOW, THEREFORE, the FAA and the DCA mutually agree as follows:

Article I. DESCRIPTION OF PROJECT

A. At such location and such time as may be mutually agreed upon by the FAA and the DCA, the FAA shall:

1. Provide from FAA assets parts peculiar and services for air navigation equipment which is common to and currently in the U.S. National Airspace System.
2. Pack, ship, and export such items in accordance with instructions contained in subsequent correspondence.

B. DCA will be responsible for securing any export licenses or other documents required to permit the material furnished under this agreement to leave the United States and enter Pakistan.

C. Materials purchased by the FAA for the DCA will carry the same manufacturer's warranty as material purchased by FAA for its own account.

Article II. SPECIAL LIMITATIONS

A. The total value of the material to be furnished by the FAA under this agreement may not exceed \$20,000 per year. This limitation does not include the packing or shipping charges nor the FAA administrative overhead charges.

B. The authority for the FAA to provide this service is dependent upon the continued unavailability on the open market of certain services and parts which are peculiar to air navigation equipment.

¹ Came into force on 20 December 1976 by signature, in accordance with article V.

Article III. PAYMENT OF COSTS

A. The DCA shall reimburse the FAA for all costs associated with providing parts and services plus a ten percent administrative overhead charge, as follows:

1. Issues from inventory shall be billed at the unit price on record at the time of issue plus logistics management costs, an administrative overhead charge, and transportation costs.
2. Exchange and Repair (E&R) services shall be billed at the FAA repair rate plus logistics management costs, an administrative overhead charge, and transportation costs. If, under an E&R transaction, an unserviceable unit is not returned, or if the returned unit is not reparable, a supplemental billing shall be prepared. The supplemental billing shall include the difference between the previously billed repair charge and the replacement costs of the item. The amount derived shall then be adjusted by administrative overhead charges. Supporting records shall be available for review at the Aeronautical Center.
3. Repair and Return (R&R) services shall be billed at actual repair costs, plus logistics management costs, an administrative overhead charge, and transportation costs.

B. The DCA hereby designates the Director of Communications, Department of Civil Aviation, 19 Napier Barracks, Karachi-4, Pakistan as the billing office to which FAA bills will be rendered.

Article IV. AMENDMENT

Any change to this agreement shall be formalized by an appropriate written amendment to the agreement.

Article V. EFFECTIVE DATE

This agreement shall become effective on the date the last signature is affixed, and will remain in effect for five years.

Article VI. REVOCATION

This agreement may be revoked at any time by either party by sixty days' notice in writing.

The FAA and DCA agree to the provisions of this agreement as indicated by the signatures of their duly authorized officers.

Government of Pakistan
Department of Civil Aviation:

United States of America
Department of Transportation
Federal Aviation Administration:

[Signed]

By: M. H. YAZDANI
Title: Director of Communication
Department of Civil Aviation
Date: December 20, 1976

By: CHARLES O. CARY
Title: Assistant Administrator for
International Aviation Affairs
Date: November 23, 1976