

No. 17321

**UNITED STATES OF AMERICA
and
CAPE VERDE**

**Agreement relating to transfers of agricultural commodities.
Signed at Washington on 21 May 1977**

Authentic texts: English and Portuguese.

Registered by the United States of America on 24 November 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
CAP-VERT**

**Accord relatif au transfert de produits agricoles. Signé à
Washington le 21 mai 1977**

Textes authentiques : anglais et portugais.

Enregistré par les États-Unis d'Amérique le 24 novembre 1978.

AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND CAPE VERDE RELATING TO TRANSFERS OF AGRICUL- TURAL COMMODITIES

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C.

TRANSFER AUTHORIZATION

Section 206

AID No. 659-XXX-000-7601

Executive Vice President
Commodity Credit Corporation
U.S. Department of Agriculture
Washington, D.C.

Program Approval Dated:
April 8, 1977
Program Title: Section 206,
Republic of Cape Verde

In accordance with the provisions of Title II, P.L. 480 (as amended), Section 2 of Executive Order 10900 and State Delegation Order No. 104 effective September 30, 1961, the Commodity Credit Corporation is hereby authorized to transfer and deliver food grain to the Government of Cape Verde in an amount not to exceed \$1,737,500 pursuant to the following instructions:

1. *Quantity — metric tons not to exceed*

<i>Previous total</i>	<i>Increase</i>	<i>Decrease</i>	<i>Total to date</i>
	11,500		11,500

2. *Commodity to be shipped*

<i>Code</i>	<i>Commodity</i>	<i>Amount metric tons</i>	<i>CCC value \$</i>	<i>Export market value</i>
044.020	Corn	10,000	\$1,220,000	\$1,090,000
042.2050	Rice	1,500	517,500	462,000

3. *Estimated ocean transportation costs: \$1,105,000.* All actual ocean transportation expenditures under this program regardless of the estimate shown above, are to be charged to the Blanket Freight Transfer Authorization No. 935-9500-000-7899. An individual Ocean Freight Transfer Authorization will not be issued.

4. *Specifications*

Corn, 10,000 MT, bagged 50 pounds net, USDA specifications.
Rice, 1,500 MT, bagged 50 pounds net, USDA specifications.

5. *Shipping instructions*

A. *Delivery Schedule and Port of Discharge:*

(1) Rice, as soon as possible, 750 metric tons to Port Mindelo and 750 metric tons to Praia.

¹ Came into force on 21 May 1977 by signature.

- (2) Corn, 5,000 metric tons as soon as possible to Praia and 5,000 metric tons bagged two months after first shipment to Port Mindelo.

B. Consignee:

Ministry of Economic Coordination
Republic of Cape Verde
Praia, Cape Verde

C. Send copies of Bills of Lading to:

- (1) Original and 2 copies to consignee via airmail.
- (2) Original and 2 copies to consignee accompanying cargo.
- (3) Original and 2 copies to SER/COM/TR, Agency for International Development, Washington, D.C. 20523, Attn: R. E. James.
- (4) Original and 2 copies to Amembassy Guinea-Bissau via airmail.
- (5) One copy to USAID/Senegal, c/o American Embassy, Dakar, Senegal. Attn: Food For Peace Officer.

6. *Program objectives and distribution of commodities.* A. The commodities authorized herein are contributed by the United States Government to the Government of the Republic of Cape Verde (GOCV) for two purposes: 1) to assist in alleviating the shortage of food caused by prolonged drought and 2) through the sales of the commodities, to generate local currency that is to be used for agreed development purposes in agriculture, rural development, and nutrition, so as to benefit the 80% of the population of Cape Verde who are both poor and dependent on agriculture for a living. These proceeds, for example, will be used for projects to promote agriculture production and agriculture productivity of small farmers by alleviating the country's most important productive constraint — the lack of water. Water exploration, and irrigation activities which will benefit the poorest rural groups in Cape Verde will receive priority.

B. Distribution, sales and accounting procedures will be in accordance with AID Regulation 11, the provisions of which are herein incorporated by reference, and shall also be accomplished in accordance with the following provisions:

1. All administrative and other costs related to receiving and handling the commodities will be borne by the GOCV. That is, gross proceeds of the sales will be available to finance the development purposes agreed upon.

2. The commodity will be sold at the prevailing market price. The proceeds shall be deposited in the name of the GOCV in a separately identified "Agricultural Commodity Development Account." The proceeds will be exclusively used for development purposes in the areas of agriculture, rural development and nutrition whether under the drought emergency or longer term development plans of the GOCV. The specific uses of the local currency proceeds shall be agreed upon in writing between the GOCV and A.I.D. Office in Guinea-Bissau. All such amounts remaining unexpended after five years from date of deposit into the special account and accrued interest, if any; and any such currencies the use of which has not been agreed upon within three years date of deposit into the special account, shall be deposited with U.S. Disbursing Officer, AmEmbassy Guinea Bissau.

3. The GOCV agrees to provide a quarterly report on the status of the "Agricultural Commodity Development Account" to the A.I.D. Office in Guinea-Bissau until all currencies generated under this agreement have been disbursed and

reported on. The quarterly report will give details of deposits and disbursements including a brief description of the nature of each disbursement.

4. The GOCV agrees to provide a quarterly commodity status report to the A.I.D. Office in Guinea-Bissau giving the type, quantity, and general condition of commodities herein provided. This report will include as a minimum the following information:

- a) Beginning stocks;
- b) Arrivals;
- c) Sales;
- d) Damaged or spoiled commodity;
- e) Ending stocks.

5. The GOCV (as required by AID Regulation 11, Section 211.9 (c)) shall arrange at its own expense for an independent cargo survey to attend the discharge of the cargo and to count or weigh the cargo and examine its condition and shall promptly furnish the survey report to the A.I.D. Office in Guinea-Bissau, who will transmit it to ASCS, Kansas and Food for Peace, Washington.

Date: May 21, 1977

BRIAN DEAN CURRAN
For the Government
of the United States of America

Request and acceptance. The assistance described in this authorization is hereby requested and the terms and conditions of this agreement and of AID Regulation 11, 33FR2918, 1968 (attached and incorporated herein by reference) except as otherwise specifically provided herein, are accepted.

Date: 21/5/1977

BRITO J.
For the Government
of the Republic of Cape Verde
