

No. 17247

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**UNITED STATES OF AMERICA  
and  
BANGLADESH**

**Agreement for sales of agricultural commodities (with  
agreed minutes). Signed at Dacca on 1 April 1977**

**Exchange of notes constituting an agreement amending the  
above-mentioned Agreement. Dacca, 30 June 1977**

**Exchange of notes constituting an agreement further  
amending the above-mentioned Agreement of 1 April  
1977, as amended. Dacca, 8 August 1977**

**Exchange of notes constituting an agreement further  
amending the above-mentioned Agreement of 1 April  
1977, as amended. Dacca, 21 September 1977**

*Authentic texts: English.*

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

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH FOR SALES OF AGRICULTURAL COMMODITIES UNDER PUBLIC LAW 480, TITLE I, PROGRAM

The Government of the United States of America and the Government of the People's Republic of Bangladesh have agreed to sales of agricultural commodities specified below. This Agreement shall consist of the Preamble, Parts I and III of the Agreement signed October 4, 1974,<sup>2</sup> together with the following Part II:

PART II. PARTICULAR PROVISIONS

*Item I. COMMODITY TABLE*

| <i>Commodity</i>        | <i>Supply Period<br/>(U.S. Fiscal Year)</i> | <i>Approximate<br/>Maximum Quantity<br/>(Metric Tons)</i> | <i>Maximum Export<br/>Market Value<br/>(Millions)</i> |
|-------------------------|---|---|---|
| Wheat/Wheat Flour ..... | 1977  | 200,000   | <u>\$22.6</u>   |
|                         |   | TOTAL   | \$22.6  |

*Item II. PAYMENT TERMS*

Convertible Local Currency Credit

- A. Initial Payment—None.
- B. Currency Use Payment—1 Percent for Section 104 (a) Purposes.
- 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*

| <i>Commodity</i>   | <i>Import Period</i> | <i>Usual Marketing<br/>Requirement</i> |
|--|----------------------|--|
| Wheat and/or Wheat Flour (on a grain equivalent basis) ..... | 1977                 | None                                   |

<sup>1</sup> Came into force on 1 April 1977 by signature, in accordance with part III (B).

<sup>2</sup> United Nations, *Treaty Series*, vol. 967, p. 203.

*Item IV. EXPORT LIMITATIONS*

A. The export limitation period shall be U.S. Fiscal Year 1977 or any subsequent U.S. 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*

A. The Government of the People's Republic of Bangladesh will continue to place special emphasis on actions contributing directly to development progress in poor rural areas and on enabling the poor to participate actively in increasing agricultural production through small farm agriculture.

B. The Government of the People's Republic of Bangladesh agrees to: (1) improve the system for the distribution of agricultural inputs to ensure greater accessibility by all farmers; (2) pursue agricultural research goals which aim to increase and diversify food production; (3) take effective measures to disseminate agricultural research information through the extension service and by other means to Bangladesh farmers; (4) strengthen rural institutions and promote participation in agriculture and other productive processes; (5) strengthen and expand cash-based rural works programs generating rural purchasing power; and (6) reduce subsidies on agricultural inputs commensurate with incentive price levels for foodgrain production.

C. The Government of the People's Republic of Bangladesh will:

1. Ensure remunerative prices for domestic agricultural production by making timely and appropriate efforts to reach the Government's FY 77 voluntary procurement target of 500,000 tons of foodgrains; by encouraging, in addition, the active participation of private grain dealers in food procurement; gradually constraining offtakes from the ration system in a phased manner; and by limiting all foodgrain imports to the minimum necessary to meet the difference between domestic production and total domestic requirements.
2. Establish within two to four years a permanent grain price stabilization program. The program will include the following components:
  - A. Appropriate Bangladesh Government institutions charged with developing policy options for the Bangladesh Government with respect to the rationalization of agricultural development goals, rural income and employment goals and maintenance of reliable supplies of foodgrains for the urban sector and the society's destitute.
  - B. Bangladesh Government intervention in domestic grain markets and/or increased private sector participation in such markets to maintain domestic foodgrain prices.
  - C. With other policy changes leading to foodgrain self sufficiency the Bangladesh Government will undertake a phased reduction beginning in FY 1978 of the ration system bearing in mind prevailing conditions, including levels of domestic production and procurement, by reducing the geographic coverage, numbers of ration card holders, amounts of

subsidies, and the quantities of ration per card holder provided through this system.

3. Improve procedures and systems for the feeding of destitute people on a when and where needed basis to ensure adequate levels of nutritional intake.
4. Continue to improve and upgrade foodgrain storage and stock management to ensure the effective and economic management of its foodgrain stock and distribution systems.
5. Expand the number of fertilizer retail outlets and simplify procedures in order to increase access by small farmers and thus stimulate food crop production.
6. Provide to the United States Government monthly (within 30 days of the closing of the month) statistics on its foodgrain stock position (e.g. opening stocks, actual arrivals, actual offtakes, and actual procurement and closing stocks) and forecast of future foodgrain stock positions under various agricultural conditions.

*Item VI.* ECONOMIC DEVELOPMENT PURPOSES FOR WHICH PROCEEDS ACCRUING TO IMPORTING COUNTRY ARE TO BE USED:

A. 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 funding and implementation for programs of agricultural development and to reduce the rate of population growth under the Government of the People's Republic of Bangladesh's development budget.

B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of the recipient country's people and their capacity to participate in the development of their country.

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

DONE at Dacca, in duplicate, this first day of April 1977.

For the Government  
of the United States of America:

[Signed]

EDWARD E. MASTERS  
Ambassador Extraordinary  
and Plenipotentiary

For the Government  
of the People's Republic of Bangladesh:

[Signed]

QAZI AZHER ALI  
Additional Secretary  
External Resources Division  
Ministry of Planning

AGREED MINUTES FOR THE MEETINGS OF MARCH 18, 22 AND 24, 1977,  
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA  
(USG) AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANG-  
LADESH (BDG)

1. *Reference to the FY 1975 PL 480, Title I Agreement*

USG officials pointed out that the Preamble, Part I and III of the FY 1975 PL 480, Title I Agreement signed October 4, 1974, will be considered an integral part of the FY 1977 PL 480, Title I Agreement.

## 2. *Financial Terms*

USG officials explained that the financial terms as set forth in Part II, Item II, of the proposed agreement include: convertible local currency credit (CLCC) terms of 40 years credit, including a 10-year grace period, interest rates of 2 percent during the grace period and 3 percent thereafter, no initial payment, and 1 percent currency use payment (CUP) limited to Section 104 (a) uses.

## 3. *Commodity Composition*

USG officials noted that the proposed commodity composition, as shown in Part II, Item I, of the Agreement, provides for supply in FY 1977 of 200,000 metric tons of wheat/wheat flour, with an export market value of \$22.6 million. BDG officials stressed the deteriorating food situation in Bangladesh and estimated its minimum requirement from the USA of additional 200,000 tons of wheat, 100,000 tons of parboiled rice and 40,000 tons of edible oil by September 1977. The USG is not able at this time to respond favorably to the BDG's request for raw cotton, inedible tallow and edible oil, in the FY 1977 Agreement. The export market value for each of the commodities, as listed in the Commodity Table of Part II of this Agreement, may not be exceeded. If commodity prices increase, the quantity to be financed under the proposed agreement would be less than the approximate maximum quantity set forth in the same Commodity Table. Should commodity prices decrease, however, the quantity to be financed under the proposed agreement would be limited to that specified in the Commodity Table. BDG officials expressed disappointment that no vegetable oil was included in the draft agreement and requested USG officials to move their government to supply 40,000 MT of edible oil by September 1977.

## 4. *Usual Marketing Requirements (UMR's)*

USG officials explained that because of BDG's economic and financial difficulties, Part II, Item II, in the proposed agreement provides for no Usual Marketing Requirements for wheat/wheat flour for FY 1977. However, the BDG is expected to continue commercial imports of foodgrains, as may be practicable in FY 1977. The UMR's will be reviewed on a year-to-year basis.

## 5. *Self-Help Measures and the Use of Proceeds*

A. USG officials brought to the attention of the BDG officials the recent legislation affecting Sections 106(b) and 109(a) of PL 480 which requires specific emphasis on the implementation of the self-help measures and the use of sales proceeds for programs in agriculture, rural development and population and which directly improve the lives of the recipient country's poor majority. These new requirements are reflected in Items V and VI of Part II of the Agreement for FY 1977.

B. USG officials stated that the self-help measures enumerated in Part II of the Agreement are intended to support the BDG's national goals of rural development and of achieving foodgrain self-sufficiency.

C. With relation to Part II, Item V, paragraph B (5), BDG officials indicated that although it was the Government's policy to increase rural purchasing power through works programs, the Government's own cash resources were limited. The Government would look forward to proposed U.S. project assistance for rural roads and rural irrigation works to undertake an expanded rural works program.

D. BDG officials noted, with reference to Part II, Item V, paragraph B (6), of the Agreement, that the present relatively low farmgate price of rice indicates that subsidy reductions at this time would not be commensurate with incentive price levels. However, in line with the Government's policy of gradually reducing such subsidies, the matter would continue under review.

E. With reference to Part II, Item V, paragraph C, 1 of the Agreement, BDG officials stated that the FY 1978 domestic procurement target will be not less than 500,000 tons.

F. BDG officials interpret the “total domestic requirements”, referred to in Item V, paragraph C, 1 of Part II of the Agreement, to include food security stock in addition to the operational stock.

G. Referring to the grain price stabilization program and appropriate Bangladesh Government institutions charged with developing policy options (Part II, Item V, paragraph C, 2, A), BDG officials stated that such appropriate institutions have been established and include: (1) the Rural Development Council which, *inter alia*, formulates policies pertaining to rural development with particular reference to the creation of employment opportunities for, and the improvement of the economic condition of, the landless and marginal farmers; (2) the Agriculture Policy Council which, *inter alia*, reviews the National Food Self-Sufficiency Program in order to fulfill the established production targets in the shortest possible time; (3) the Inter-Ministerial Food Policy Cell which, *inter alia*, periodically reviews the food situation, ration offtakes, foodgrain imports and the amounts of ration; and (4) the Ministry of Food Planning Cell headed by an economist.

H. Referring to Item V, paragraph C, 2, C, of the Agreement, BDG officials stated that the Government was keeping under continuous review measures to bring ration prices gradually into line with market prices and would seriously consider in FY 1978 further steps to implement this policy.

#### 6. *Invitations for Bids—Commodity and Freight*

USG officials informed the BDG representatives that purchase authorizations (PA) issued under this Agreement will contain requirements that invitations for bids for both commodity and freight must be submitted to the Office of General Sales Manager/USDA/Washington for review prior to their release to prospective bidders. The primary purpose of this requirement is to enable USDA to ensure that invitations do not contain terms or conditions which may be in conflict with PA terms and PL 480 financing regulations. Prior review of invitations will also give USDA specialists an opportunity to provide advice and assistance in assuring realistic commodity delivery schedules in order to allow maximum flexibility in matching available shipping to commodity contracts. Also, freight tenders must be advertised in the USA, with provisions for public opening of bids; however, charterer to retain the right to negotiate. BDG officials were further advised that, as a general rule, terminal contracting and delivery dates are not extended. USG officials also suggested that it would be helpful to have an officer of the Bangladesh Embassy in Washington authorized to sign a PL 480 purchase authorization for Bangladesh.

#### 7. *Identification and Publicity*

The BDG should publicly announce the Agreement when signed and give publicity to the arrival of foodgrain shipments as outlined in Section 103 (1) of the PL 480 Act. BDG will insure, insofar as practical, that food commodities are marked or identified at the point of distribution or sale as being provided on a concessional basis to Bangladesh through the generosity of the people of the U.S.

#### 8. *Designation of Consultants*

USG officials informed the BDG officials that the BDG must designate one or more persons in the USA to consult with representatives of the USG to discuss the rules and procedures applicable to procurement, financing, reporting, and ocean transportation, because of the complications involved in connection with the implementation of all the provisions of the Agreement. This consultation must be completed before any purchase authorizations (PA) are issued. A designated person or persons in the U.S. should be authorized to sign all documents relating to the implementation of the Agreement. In addition, the BDG will designate individuals or agencies in Bangladesh with whom representatives of the USG may consult regarding the implementation of the Agreement, such as, (1) commodity arrival and off-loading information, (2) marking or identifying and publicizing arrivals, (3) assurances against resale and transshipment, (4) compliance

with the export limitations, (5) information on the deposit of local currencies, (6) generation and use of currencies arising from credit sales for dollars or convertible local currency credit sales, (7) carrying out self-help measures, (8) reconciliation of accounts, including principal and interest payments, (9) CUP payments, and (10) reporting as required by provisions of the Agreement.

#### 9. *Approval of Agents*

USG officials informed the BDG officials that if the BDG engages the services of a US person or firm as its agent to handle procurement of the commodity and/or ocean transportation, such agent must be approved by the USDA. A copy of the written agreement between the recipient government and the US agent must be submitted to USDA for approval prior to the issuance of applicable purchase authorizations.

#### 10. *Taka Deposits*

USG officials explained that the taka amounts received by the USG under the Currency Use Payment (CUP) may be deposited in interest bearing accounts in banks in Bangladesh selected by the USG. (See Part I, Article II, E, 2, in the FY 1975 Agreement). Also, the USG officials pointed out that US legislation requires that: (a) deposits of taka to the US account be at a rate which is not less favorable than the highest exchange rate legally obtainable and which is not less favorable than the highest of exchange rates obtainable by any other nation; (b) if there is any change in the exchange system or in the level of the effective rate, or any other development which would require an adjustment in the deposit rate to comply with this legislation, the US reserves the right to suspend deliveries pending negotiations of a mutually agreeable rate, and (c) US owned taka may be deposited in interest bearing accounts as noted above.

#### 11. *Foodgrain Handling Facilities*

USG officials questioned whether the facilities at Chittagong Port and Silo and Chalna Port, together with the internal road, river and railway transport systems, were capable of receiving and transshipping the probable peak requirements of more than 150,000 tons of imported foodgrains per month. BDG officials replied that it could be handled, and stated that the major phase of the improvement work at the Chittagong silo jetty has been completed which would ensure an average monthly unloading capacity of about 200,000 tons. BDG officials noted that additional jetties and sheds at Chittagong can be used for unloading foodgrain under emergency conditions and that Chalna Port can handle 80,000 tons per month. The BDG officials also estimated that the internal transport system—river, road and railway—could handle 300,000 tons per month.

#### 12. *Delivery of Commodities*

BDG representatives urged USG representatives to expedite signing of the FY 1977 PL 480 Title I Agreement and requested that the shipment of 200,000 MT of wheat might be so arranged that 100,000 MT reaches Bangladesh in June 1977 and another 100,000 MT in July 1977.

The above sets forth the understanding between the USG and the BDG.

For the Government  
of the United States of America:

[Signed]

EDWARD E. MASTERS  
Ambassador Extraordinary  
and Plenipotentiary

For the Government  
of the People's Republic of Bangladesh:

[Signed]

QAZI AZHER ALI  
Additional Secretary  
External Resources Division  
Ministry of Planning

April 1, 1977.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED STATES  
OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF BANGLADESH AMENDING THE AGREE-  
MENT OF 1 APRIL 1977 FOR SALES OF AGRICULTURAL  
COMMODITIES UNDER PUBLIC LAW 480, TITLE I, PROGRAM<sup>2</sup>

I

*The American Ambassador to the Bangladesh Secretary, Ministry of Planning*

EMBASSY OF THE UNITED STATES OF AMERICA  
DACCA

June 30, 1977

Dear Mr. Secretary:

I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two governments on April 1, 1977,<sup>2</sup> and propose that Agreement be amended as follows:

In Part II, Item I, Commodity Table: under appropriate columns (1) for wheat/wheat flour delete "200,000" and "\$22.6" and insert "275,000" and "\$29.6"; (2) for rice insert "Rice", "1977", "75,000" and "\$21.0"; and (3) under Maximum Export Market Value of line designated Total delete "\$22.6" and insert "\$50.6".

In Part II, Item III, Usual Marketing Table: under appropriate columns insert (1) "Rice", "1977" and "None". In Part II, Item IV, Export Limitations: in sub-paragraph B, delete period and change to semicolon and add the following language "for rice—rice in the form of paddy, brown or milled".

In Part II, Item V, Self-Help Measures, sub-paragraph C, add the following as paragraphs 7 through 11:

- " 7. Reduce the number of ration cardholders under the statutory ration by recalling a significant number of cards from the most affluent cardholders as of January 1, 1978.
- " 8. Announce the procurement price for the spring 1978 Boro crop, including high yielding varieties, no later than October 15, 1977.
- " 9. Actively procure foodgrains, especially high yielding varieties, on a voluntary basis throughout FY 1978, and initiate the 1977-78 Aman procurement drive no later than November 15, 1977.
- "10. Expand the number of procurement centers by including the use of every local supply depot as a procurement center throughout the year.

<sup>1</sup> Came into force on 30 June 1977, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> See p. 4 of this volume.



“11. Continue to limit during FY 1978 modified rationing to class ‘A’ cardholders, except in emergency.”

All other terms and conditions of the April 1, 1977, Title I Agreement would remain the same.

In addition, I propose the agreed minutes of the meetings on the FY 1977 Title I Agreement be amended as follows:

At the end of paragraph 5, D, add “During the discussions on the amendment to the April 1 Agreement, BDG officials stated their intention to recall ration cards from the more affluent of the estimated three million statutory ration cardholders. They also stated that 100,000, or 3 percent, was a significant figure, but that pending the outcome of the survey to be taken, it would not be possible to provide an estimate of the number which would actually be recalled.”

At the end of paragraph 5, E, add “In agreeing to the self-help statement on announcing the 1978 Boro crop procurement prices by 15 October 1977, the USG team emphasized their belief that the Boro procurement price should be established at a level at least equal to the Aman procurement price to stimulate maximum participation in increased production of this crop.”

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.

Please accept the renewed assurances of my highest consideration.

EDWARD E. MASTERS

Mr. A. M. A. Muhith  
Secretary  
Ministry of Planning  
People’s Republic of Bangladesh  
Dacca

## II

*The Bangladesh Secretary, External Resources Division, Ministry of Planning,  
to the American Ambassador*

From: A. M. A. Muhith  
Secretary  
External Resources Division  
Ministry of Planning

June 30, 1977

154/ERD/USA(PL-480)-2/77

Excellency,

I have the honour to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two Governments on

April 1, 1977, and we concur to the amendments as proposed in your note dated June 30, 1977, as follows:

[See note I]

In addition, we concur that the agreed minutes of the meetings on the FY 1977 Title I Agreement be amended as follows:

[See note I]

All other terms and conditions of the April 1, 1977, Title I Agreement would remain the same.

Your note of June 30, 1977, and this reply concurring to the proposals made therein constitute an agreement between our two Governments effective this date.

Please accept the renewed assurances of my highest consideration.

Yours sincerely,

[Signed]

A. M. A. MUHITH

H.E. Mr. Edward E. Masters  
Ambassador of U.S.A. in Bangladesh  
American Embassy  
Dacca

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED STATES  
OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF BANGLADESH FURTHER AMENDING THE  
AGREEMENT OF 1 APRIL 1977 FOR SALES OF AGRICUL-  
TURAL COMMODITIES UNDER PUBLIC LAW 480, TITLE I,  
PROGRAM,<sup>2</sup> AS AMENDED<sup>3</sup>

I

*The American Chargé d'affaires ad interim to the Bangladesh Secretary,  
Ministry of Planning*

EMBASSY OF THE UNITED STATES OF AMERICA  
DACCA

August 8, 1977

Dear Mr. Secretary:

I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two governments on April 1, 1977,<sup>2</sup> as amended,<sup>3</sup> and to propose that Agreement be further amended as follows:

In Part II, Item I, Commodity Table: under appropriate columns (1) insert "soybean/cottonseed oil", "1977", "10,000" and "\$7.2"; and (2) under Maximum Export Market Value on the line stating "Total", delete "\$50.6" and insert "\$57.8".

In Part II, Item III, Usual Marketing Table: under appropriate columns insert "Edible vegetable oils and/or oil bearing seeds (oil equivalent basis)", "1977" and "None". In Part II, Item IV, Export Limitations: under subparagraph B, delete period and change to semicolon and add the following language "for soybean/cottonseed oil—all edible vegetable oils, including soybean oil, cottonseed oil, peanut oil, sunflower oil, sesame oil, rapeseed oil and any other edible oil bearing seeds from which oils are produced".

In Part II, Item V, Self-Help Measures: subparagraph C, add the following paragraphs after paragraph C, 11:

- "12. Increase edible oil seed crop production target to a level of 200,000 tons in 1977/78.
- "13. Continue to constrain edible oil offtakes from the public ration system at the level of 3,000 metric tons per month except under emergency conditions.

<sup>1</sup> Came into force on 8 August 1977, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> See p. 4 of this volume.

<sup>3</sup> See p. 10 of this volume.

“14. Maintain the overall ration price of edible oil to equal or exceed the import value, C.I.F. Chittagong.”

All other terms and conditions of the April 1, 1977, Title I Agreement, as amended, would remain the same.

In addition, I propose the agreed minutes of the meetings on the FY 1977 Title I Amendment be amended as follows:

At the end of paragraph 3, Commodity Composition, add, “During the discussions on an edible oil amendment held July 29, 1977, the BDG officials requested retention of the \$7.2 million value proposed, but with an approximate 60/40 split of refined oil in drums and crude bulk oil. This division of commodities was agreed to. In subsequent discussions, it was agreed to explore the possibility of an additional 10,000 metric tons of edible oil in FY 1977 if Bangladesh’s near-term requirement so indicated. It was pointed out, however, that the time remaining was extremely short to complete an amendment, and also that at present there were no uncommitted funds for the balance of FY 1977.”

Under paragraph 5, on self-help measures, add: “In accepting item 13 under the proposed amendment for edible oil it was agreed that variations on the order of ten percent above the 3,000 metric-ton offtake figure might occur at various holiday or festival times.”

Add the following new paragraph to the agreed minutes:

“13. *Export Limitations:* In the July 29, 1977, negotiations, the BDG officials requested a waiver of the limitation on the export of groundnuts where annual production exceeded their annual capacity to crush or process these oil seeds. It was noted by the USG officials that a previous waiver had been granted on a one-time basis only, but that the new request would be passed on to Washington. Subsequent information indicated a definitive response was not possible prior to signing the amendment and additional justification would be required should the BDG still desire a waiver to export such oil or oil seed during the period of import or utilization of the commodities financed under this Agreement.”

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.

Please accept the renewed assurances of my highest consideration.

AIF E. BERGESEN

Mr. A. M. A. Muhith  
Secretary  
Ministry of Planning  
People’s Republic of Bangladesh  
Dacca, Bangladesh

## II

## MINISTRY OF PLANNING

External Resources Division  
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH  
DACCA

From: A. M. A. Muhith  
Secretary

Dated August 8, 1977

No. ERD/USA(PL-480)-2/77

Dear Mr. Bergesen,

I have the honour to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two Governments on April 1, 1977, as amended and we concur to the amendments as proposed in your note dated August 8, 1977, as follows:

[See note I]

In addition, we concur that the agreed minutes of the meetings on the FY 1977 Title I Amendment be amended as follows:

[See note I]

All other terms and conditions of the April 1, 1977, Title I Agreement, as amended, would remain the same.

Your note of August 8, 1977, and this reply concurring to the proposals made therein constitute an agreement between our two Governments effective this date.

Please accept the renewed assurances of my highest consideration.

Yours sincerely,

[Signed]

A. M. A. MUHITH

Mr. Aif E. Bergesen  
Chargé d'affaires  
American Embassy  
Dacca

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF  
AMERICA AND THE GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF BANGLADESH FURTHER AMENDING THE  
AGREEMENT OF 1 APRIL 1977 FOR SALES OF AGRICUL-  
TURAL COMMODITIES UNDER PUBLIC LAW 480, TITLE I,  
PROGRAM,<sup>2</sup> AS AMENDED<sup>3</sup>

I

*The American Ambassador to the Bangladesh Joint Secretary,  
Ministry of Planning*

EMBASSY OF THE UNITED STATES OF AMERICA  
DACCA

September 21, 1977

Dear Dr. Ahmed:

I have the honor to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two governments on April 1, 1977,<sup>2</sup> as amended June 30 and August 8, 1977,<sup>3</sup> and to propose that Agreement be further amended as follows:

In Part II, Item I, Commodity Table: under appropriate columns for soybean/cottonseed oil; (1) delete "10,000", "1977", and "\$7.2" and insert the following: "20,000", "1977 plus October 1 through December 31, 1977" and "\$13.2"; and (2) under Maximum Export Market Value on the line stating "Total", delete "\$57.8" and insert "\$63.8".

In Part II, Item III, Usual Marketing Table: under the columns entitled "Import Period" for edible vegetable oils and/or oil bearing seeds, delete "1977" and insert "1977 plus October 1 through December 31, 1977".

In Part II, Item IV, Subparagraph A, Export Limitations: after the words "FY 1977" insert "for wheat/wheat flour and rice, and for FY 1977 plus October 1 through December 31, 1977 for soybean/cottonseed oil,".

In addition, I propose that the agreed minutes of the meetings on the FY 77 Title I Amendment be amended as follows:

At the end of Paragraph 3, Commodity Composition, add: "During the discussions on a second edible oil amendment, it was agreed that the 20,000 metric tons of edible oil to be purchased under the amendment to this Agreement dated August 8, 1977, and under this subsequent amendment, would be purchased in the form of approximately 10,000 metric tons

<sup>1</sup> Came into force on 21 September 1977, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> See p. 4 of this volume.

<sup>3</sup> See pp. 10 and 13 of this volume.

of drummed refined soybean oil and 10,000 metric tons of crude degummed soybean oil in bulk.”

All other terms and conditions of the April 1, 1977, Title I Agreement, as amended, would remain the same.

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.

Please accept the renewed assurances of my highest consideration.

EDWARD E. MASTERS

Dr. Fakhruddin Ahmed  
Joint Secretary  
Ministry of Planning  
People's Republic of Bangladesh  
Dacca, Bangladesh

## II

MINISTRY OF PLANNING  
External Resources Division  
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH  
DACCA

From: Dr. Fakhruddin Ahmed  
Joint Secretary

Dated the 21st September 1977

D.O. No.252/ERD/USA(PL-480)-2/77

Excellency,

I have the honour to refer to the Public Law 480 Title I Agricultural Sales Agreement signed by the representatives of our two Governments on April 1, 1977, as amended June 30 and August 8, 1977, and we concur to the amendments as proposed in your note dated September 21, 1977, as follows:

[See note I]

In addition, we concur that the agreed minutes of the meetings on the FY 1977 Title I Amendment be amended as follows:

[See note I]

All other terms and conditions of the April 1, 1977, Title I Agreement, as amended, remain the same.

Your note of September 21, 1977, and this reply concurring to the proposals made therein constitute an agreement between our two Governments effective this date.

Please accept the renewed assurances of our highest consideration.

*[Signed]*

FAKHRUDDIN AHMED

H.E. Mr. Edward E. Masters  
Ambassador of the USA in Bangladesh  
American Embassy  
Dacca

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