

No. 17497

**UNITED STATES OF AMERICA
and
ISRAEL**

**Agreement for sales of agricultural commodities. Signed at
Washington on 21 December 1977**

Authentic text: English.

Registered by the United States of America on 22 January 1979.

**ÉTATS-UNIS D'AMÉRIQUE
et
ISRAËL**

**Accord relatif à la vente de produits agricoles. Signé à
Washington le 21 décembre 1977**

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 22 janvier 1979.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF ISRAEL FOR SALES OF AGRICULTURAL COMMODITIES

The Government of the United States of America and the Government of Israel have agreed to the sales of agricultural commodities specified below. This Agreement shall consist of the preamble, parts I and III of the Agreement signed on December 16, 1974,² together with the following part II:

PART II. PARTICULAR PROVISIONS

Item I. COMMODITY TABLE

<i>Commodity</i>	<i>Supply period (U.S. Fiscal Year)</i>	<i>Approximate maximum quantity (metric tons)</i>	<i>Maximum export market value (millions)</i>
Wheat/wheat flour (grain basis)	1978	70,000	\$7.2

Item II. PAYMENT TERMS

Dollar Credit

1. Initial payment, 5 percent.
2. Currency use payment, 10 percent for section 104 (a) purposes.
3. Number of installment payments, 19.
4. Amount of each installment payment, approximately equal annual amounts.
5. Due date of first installment, two years after date of last delivery of commodities in each calendar year.
6. Initial interest rate, 3 percent.
7. Continuing interest rate, 3 percent.

Item III. USUAL MARKETING TABLE

<i>Commodity</i>	<i>Import period (U.S. Fiscal Year)</i>	<i>Usual marketing requirements</i>
Wheat/wheat flour (grain equivalent basis)	1978	280,000 MT

Item IV. EXPORT LIMITATIONS

A. The export limitation period shall be United States Fiscal Year 1978 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

¹ Came into force on 21 December 1977 by signature, in accordance with part III.

² United Nations, *Treaty Series*, vol. 991, p. 413.

flour, rolled wheat, semolina, farina, and bulgur (or the same product under a different name).

C. Permissible exports:

<i>Commodity</i>	<i>Quantity</i>	<i>Period during which such exports are permissible</i>
Seed wheat	Up to 5,000 MT	U.S. Fiscal Year 1978

Item V. SELF-HELP MEASURES

A. In implementing these self-help measures, specific emphasis will be placed on 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 Israel, in maintaining a policy of increased agricultural production, will continue self-help activities in the following areas:

- (1) Improve the marketing infrastructure for both inputs and products;
- (2) Improve the storage and handling system for grains at port and inland locations;
- (3) Improve yields of wheat and other grains through continued genetic and other research, with emphasis on arid areas;
- (4) Improve water management and exploit available water resources.

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 the agriculture and economic development sectors: agriculture and water resources.

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.

Item VII. OTHER

A. The Government of Israel will make its best efforts to ensure that agricultural commodities provided under this Title I Agreement are restricted to use within the geographic areas which were subject to State of Israel administration prior to June 5, 1967.

B. The local currency proceeds generated from the sale of the Title I commodities intended for program uses under item V and item VI of the Agreement shall be restricted to use within the geographic areas which were subject to State of Israel administration prior to June 5, 1967.

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

DONE at Washington, in duplicate, this twenty-first day of December, 1977.

For the Government
of the United States of America:

[*Signed — Signé*]¹

For the Government
of Israel:

[*Signed — Signé*]²

¹ Signed by Nicholas A. Veliotis—Signé par Nicholas A. Veliotis.

² Signed by Hanon Bar-On—Signé par Hanon Bar-On.