

No. 18170

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**UNITED STATES OF AMERICA  
and  
ZAIRE**

**Letter Agreement relating to acquisition of excess property  
(with list). Signed at Washington on 10 July 1978 and  
at Kinshasa on 9 August 1978**

*Authentic text: English.*

*Registered by the United States of America on 5 December 1979.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
ZAÏRE**

**Lettre d'accord relative à l'acquisition de biens en surplus  
(avec liste). Signée à Washington le 10 juillet 1978 et  
à Kinshasa le 9 août 1978**

*Texte authentique : anglais.*

*Enregistrée par les États-Unis d'Amérique le 5 décembre 1979.*

## LETTER AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND ZAIRE RELATING TO ACQUISITION OF EXCESS PROPERTY

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

Assistant Administrator

July 10, 1978

Dear Mr. Paelinck:

The Zairian National Transportation Office (ONATRA) has requested the Agency for International Development (A.I.D.) to furnish to it for use in ONATRA-sponsored programs certain United States Government-owned domestic and foreign excess property. I am pleased to inform you that the request of ONATRA, hereinafter called the "recipient," to receive United States Government-owned excess property has been approved.

In accordance with section 607(a) of the Foreign Assistance Act of 1961, as amended, A.I.D. has authorized the recipient to acquire section 608 domestic and foreign excess property, to the extent available, in the kinds and amount described in the enclosure to this letter. This letter, when accepted and agreed to by the recipient, authorizes the recipient to initiate the procedures referred to herein for acquiring such property and sets forth terms and conditions governing the transfer and use of such property. The A.I.D. authorization and the terms and conditions of this letter will be effective until September 30, 1980, unless sooner modified or terminated by A.I.D.

The total amount of property which can be transferred in accordance with this letter, measured in terms of original acquisition cost, is \$3,500,000.

The following procedures, terms, and conditions will govern the acquisition, transfer, and use of all property described in the enclosure to this letter delivered to the recipient:

### SECTION 607(b) DETERMINATIONS

All transfers hereunder are conditional upon the prior accomplishment of the determinations required by section 607(b) of the Foreign Assistance Act of 1961, as amended.

### CHARGES

#### 1. *Section 608 Domestic and Foreign Excess Property*

##### a. *General*

All transfers hereunder of section 608 excess will be effected by A.I.D. without charge as to the value of the property. Charges are made for section 608 excess covering the applicable A.I.D. service charge and A.I.D. outshipment charge.

<sup>1</sup> Came into force on 9 August 1978 by signature.

b. *A.I.D. Service Charges*

- (1) Reconditioned property shipped from the A.I.D. storage facility—the sum of (a) actual cost of inland transportation from the holding activity to the A.I.D. storage facility, (b) actual cost of reconditioning, and (c) 15% of the original acquisition cost.
- (2) Unreconditioned property shipped from the A.I.D. storage facility—the sum of (a) actual cost of inland transportation from the holding activity to the A.I.D. storage facility and (b) 3% of the original acquisition cost.
- (3) Unreconditioned property shipped from the holding activity—3% of the original acquisition cost.

c. *A.I.D. Outshipment Charges*

- (1) Ocean shipment via the Defense Transportation System—14% of the original acquisition cost to cover all outshipment charges through ocean transportation.
- (2) Ocean shipment via the recipient's own freight forwarder—6% of the original acquisition cost to cover outshipment charges to that freight forwarder at the port of outloading.

d. No transfers of section 608 excess will be effected under this agreement prior to receipt by A.I.D. of the required deposit by the recipient to the U.S. Dollar Trust Fund Account 72X8502. After final disbursements have been made, funds remaining in the trust fund account will be returned to the recipient.

#### ACQUISITION

Upon concurrence by the recipient in this agreement, requests for availability of section 608 excess will be transmitted to A.I.D. Excess Property Division, Building 54, New Cumberland Army Depot, New Cumberland, Pennsylvania 17070. The request will be marked "Recipient-Financed" and will include (a) stock number and/or description of the item, (b) quantity, (c) unit of issue, (d) condition (reconditioned or unreconditioned), (e) required delivery date, and (f) planned application or end-use.

#### TITLE

1. Title to section 608 excess property approved for transfer will pass from the United States to the recipient upon delivery of the property to the recipient's designated freight forwarder or, if shipment is via the Defense Transportation System, when the property is delivered to the port of discharge.

2. After title to excess property has passed to the recipient, the recipient will assume all responsibilities incident to ownership of such property, including, but not limited to, all risks of loss of or damage to the property and of all damage caused by or charges incurred on the property.

#### OCEAN TRANSPORTATION

1. The provisions of subpart B, section 201.15 (U.S.-flag vessel shipping requirement), of A.I.D. Regulation 1 (22 CFR Part 201) are applicable to all property transferred hereunder. Property transferred hereunder is deemed to be "commodities financed with A.I.D. dollar funds" within the meaning of that section.

2. The recipient agrees to furnish to the A.I.D. Mission one copy of the onboard bill of lading covering each shipment not later than 30 days after the date of the shipment.

#### USE OF PROPERTY

The recipient agrees that the property transferred to it will be used promptly and effectively only in the public sector in Zaire in the transportation of ONATRA personnel and the manufacture of oxygen for ONATRA's welding needs. This property will not be used either during or after the period of accountability as support of public safety activities or by the military sector.

#### NO WARRANTY ON PROPERTY

The property transferred hereunder is excess to the United States Government and is transferred "as is" with all faults. A.I.D. is not responsible for and makes no warranty regarding the fitness, condition, or safety of operation of the property transferred.

#### CONTROL AND DISPOSITION OF PROPERTY

1. The recipient agrees that (a) the reconditioning of items of mechanical equipment which require reconditioning before use will commence within 6 months after the date of their arrival at the recipient's port of entry (or point of entry in the case of an overland delivery) and (b) such items will be placed in use within 12 months after the date of commencement of their reconditioning.

2. The A.I.D. Mission will determine and establish a period of accountability for each item of excess property as follows—a period of (a) not less than 1 year after the date of arrival at the recipient's port of entry (or point of entry in the case of an overland delivery) of property that does not require reconditioning, or (b) not less than 1 year after the date of completion of reconditioning of property that requires reconditioning, during which the item is subject to the control of the A.I.D. Mission.

3. The following provisions are applicable to each item of excess property during its period of accountability:

- a. The recipient will maintain accountability records on all items except expendable items.
- b. All accounts and records pertaining to the item are subject to audit by A.I.D. representatives, including the right to inspect the item wherever it is located.
- c. The recipient will not retransfer title or otherwise dispose of the item without prior approval of the A.I.D. Mission.
- d. In the event that sale or other disposition of the item is approved, the recipient will conduct such sale or other disposition under terms and conditions, including purchaser eligibility, prescribed by the A.I.D. Mission. All proceeds resulting therefrom will accrue directly and in full to the recipient. In no case will sale be made to public safety or military entities.

4. After the item's period of accountability has expired, the recipient may dispose of the item, except to public safety or military entities, without seeking the approval of the A.I.D. Mission. All proceeds resulting from such disposition will accrue directly and in full to the recipient.

If you concur in the foregoing conditions, please sign the original of this letter in the space provided below and return it to me.

Sincerely yours,

[Signed — Signé]<sup>1</sup>

GOLER T. BUTCHER  
Assistant Administrator for Africa

Enclosure:  
List of Requirements

*Accepted and agreed to:*

*Recipient:* ONATRA

*By:* [Signed — Signé]<sup>2</sup>  
[Signed — Signé]<sup>3</sup>  
9.08.78<sup>4</sup>  
Controller General and Adminis-  
trateur-Directeur<sup>5</sup>

*Date:* August 9, 1978

Mr. Honore Paelinck  
General Manager, ONATRA  
Kinshasa, Republic of Zaire

LIST OF REQUIREMENTS

U.S. Government-owned excess property which may be furnished to the recipient shall not exceed a total original acquisition cost of \$3,500,000 and shall be furnished from the following Federal Supply Groups:

| <i>Federal Supply Group</i> | <i>Description</i>   |
|-----------------------------|--|
| 23                          | Ground Effect Vehicles, Motor Vehicles, Trailers, and Cycles |
| 36                          | Special Industry Machinery                                   |

<sup>1</sup> Signed by W. Haven North, acting for — Signé par W. Haven North, agissant au nom de.

<sup>2</sup> Signed by De Wilde — Signé par De Wilde.

<sup>3</sup> Signed by J. P. Deschietere — Signé par J. P. Deschietere.

<sup>4</sup> August 9, 1978.

<sup>5</sup> Administrative Director.