

No. 19201

**UNITED STATES OF AMERICA
and
MOROCCO**

**Agreement for the sale of agricultural commodities (with
agreed minutes). Signed at Rabat on 28 August 1979**

Authentic text: English.

Registered by the United States of America on 30 October 1980.

**ÉTATS-UNIS D'AMÉRIQUE
et
MAROC**

**Accord relatif à la vente de produits agricoles (avec procès-
verbal convenu). Signé à Rabat le 28 août 1979**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 30 octobre 1980.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF MOROCCO FOR THE SALE OF AGRICULTURAL COMMODITIES UNDER THE PUBLIC LAW 480 TITLE I PROGRAM

The Government of the United States of America and the Government of the Kingdom of Morocco agree to the sale of the agricultural commodities specified below. This agreement shall consist of the preamble, parts I and III of the Title I Agreement signed May 17, 1976,² together with the following part II:

PART II

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 equivalent basis)	1979	60,000	10.8
TOTAL			10.8

II. PAYMENT TERMS: dollar credit (20 years)

1. Initial payment, 10 percent.
2. Currency use payment, none.
3. Number of installment payments, 19.
4. Balance payable, approximately equal annual installments.
5. Due date of first installment payment, two years after date of last delivery of commodities in each calendar year.
6. Initial interest rate, 3 percent.
7. Continuing interest rate, 4 percent.

III. USUAL MARKETING TABLE

<i>Commodity</i>	<i>Import period (U.S. fiscal year)</i>	<i>Usual marketing requirement</i>
Wheat/wheat flour (grain equivalent basis)	1979	979,000 MT

IV. EXPORT LIMITATIONS

A. The export limitation period shall be U.S. fiscal year 1979 or any subsequent U.S. fiscal year during which commodities financed under this agreement are being imported or utilized.

B. For the purpose 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 28 August 1979 by signature.

² United Nations, *Treaty Series*, vol. 1052, p. 329.

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

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 production.

B. The Government of the Kingdom of Morocco agrees to:

1. Improve the gathering and utilization of agricultural statistical data to increase understanding of Moroccan farmers and their needs.
2. Undertake a program of applied dryland research and extension emphasizing:
 - a. Development of production technology designed to increase the yields of food crops in a manner economically usable by small farmers.
 - b. Training Moroccan personnel to carry out dryland crop production research and communicate the resulting findings to small farmers in the dryland areas.
 - c. Improving the background data available to extension agents.
 - d. Establishment of research stations and laboratory facilities.
3. Increase the availability of agricultural credit to medium and small farmers and cooperatives.
4. Improve land management in order to halt the rapid erosion and deterioration of the land. Range management efforts will include improved forage seed, improved local breeds, and disease control.
5. Continue to increase the practical knowledge of Moroccan trained personnel through support of the Hassan II Agronomic Institute and the National School of Agriculture.
6. Develop a plan to improve nutritional intake of the poorest Moroccans, through education, greater nutritional quality of foods, and continuing research.
7. Develop a national family planning program and formulate ways in which these methods and goals can be communicated to the couples involved.
8. The Government of Morocco will undertake in calendar years 1979 and 1980 a study of what the disincentives are to increased agricultural production, especially foodgrain production in Morocco. The question of prices of foodgrains and subsidies of inputs and outputs should be examined.
9. The Government of Morocco will undertake to examine carefully what resources in the agricultural sector are being devoted to the drylands area and should report in its next self-help compliance report, in detail, on these resources both financial and human.

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 the following economic development sectors: agriculture, rural development and population planning.

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 Rabat, in duplicate, this 28th day of August, 1979.

For the Government
of the United States of America:

[Signed]

JAY P. MOFFAT
Chargé d'Affaires *ad interim*
of the United States of America

For the Government
of the Kingdom of Morocco:

[Signed]

H.E. ABDELKAMEL RERHAYE
Minister of Finance

AGREED MINUTES

PL 480 Title I Agreement proposed for signing on August 28th, 1979

On August 3, 1979, Embassy officials met with representatives of the Ministry of Finance and the Cereals Office to discuss the FY 1979 PL 480 Title I Agreement, a summary of which had been transmitted in writing to the parties concerned on July 9, 1979.

In general, all of the terms of the agreement proposed by the U.S. side, including the self-help measures, were accepted by the Moroccan side. The major exception was that the GOM requested an extension in the delivery period of two months to November 30, 1979. The American officials agreed to pass on the request to the appropriate authorities in Washington.

During this first meeting the attention of the Moroccan negotiators was called to the fact that the export market value in part II of the Proposed Agreement may not be exceeded; that letters of credit for both commodity and freight supplier must be on hand at the time of loading or suppliers will refuse to load; and that for ocean freight a letter of credit must be opened at least forty-eight hours prior to the vessel's presentation.

On August 22, 1979, Embassy officials met again with GOM representatives to advise them that the USG could not agree to an automatic extension of two months to the agreement. The Moroccan representatives agreed to sign the agreement as soon as possible and to try to ship as much wheat as possible from the United States by September 30, 1979, with the understanding that any amount not shipped by that date could count against any FY 1980 allocation or not be shipped at all unless the appropriate USG agencies authorized a limited extension, a prospect not considered likely.

During this meeting the attention of the Moroccan negotiators was called to the fact that if a shipping agent were named to procure wheat or arrange ocean transportation, the GOM must notify the General Sales Manager in the U.S.

Department of Agriculture of the designated agent and provide a copy of the proposed agent agreement.

The Moroccan negotiators agreed to relay to their Washington Embassy all instructions and authority necessary to enable timely implementation of the Agreement.

For the Government
of the United States of America:

[Signed]

JAY P. MOFFAT
Chargé d'Affaires *ad interim*
of the United States of America

For the Government
of the Kingdom of Morocco:

[Signed]

AHMED ESSAGHIR
Chief, Equipment Service
Ministry of Finance