

No. 19938

**UNITED STATES OF AMERICA
and
MAURITIUS**

**Agreement for the sale of agricultural commodities (with
minutes of negotiation). Signé at Port Louis on 11 July
1980**

Authentic text: English.

Registered by the United States of America on 10 June 1981.

**ÉTATS-UNIS D'AMÉRIQUE
et
MAURICE**

**Accord relatif à la vente de produits agricoles (avec procès-
verbal de négociations). Signé à Port-Louis le 11 juillet
1980**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 10 juin 1981.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF MAURITIUS 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 Mauritius agree to the sale of commodities specified below. This agreement shall consist of the preamble and Parts I and III of the Title I agreement signed on June 29, 1979² 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>Approximative quantities (metric tons)</i>	<i>Maximum export market value (millions)</i>
Rice	1980	8,000	<u>\$2.8</u>
		TOTAL	\$2.8

Item II. *Payment terms*

Dollar credit

- A. Initial payment—5 percent.
- B. Currency use payment—none.
- C. Number of installment payments—nineteen (19).
- D. Amount of each installment payment—approximate equal annual amounts.
- E. Due date of first installment payment—two (2) years after the date of last delivery of commodities in each calendar year.
- F. Initial interest rate—three (3) percent throughout credit period.

Item III. *Usual marketing table*

<i>Commodity</i>	<i>Import period (U.S. Fiscal Year)</i>	<i>Usual marketing requirement (metric tons)</i>
Rice	1980	60,000

Item IV. *Export Limitations*

A. The export limitation period shall be U.S. Fiscal Year 1980 and/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 this agreement, the commodities which may not be exported are: for rice—rice in the form of paddy, brown or milled.

¹ Came into force on 11 July 1980 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 1180, p. 421.

Item V. *Self-help measures*

A. In implementing the following 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 Mauritius agrees to:

1. Continue to encourage agricultural diversification by:
 - A. Expanding applied research in food crop production and intercropping;
 - B. Promoting tea production;
 - C. Providing credit and extension services for the diversified crops;
 - D. Improving the marketing and storage systems for diversified crops; and
 - E. Developing programs to make domestically produced agricultural products more attractive relative to imported foods, especially rice and wheat flour.
2. Promote the use of the country's sea resources by:
 - A. Improving storage and marketing facilities for fish; and
 - B. Stimulating research to determine how to best use and conserve the country's sea resources.
3. Formulate both short- and long-term development plans for Rodrigues which emphasize participation by residents in utilization of agricultural land.

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

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, particularly on the island of Rodrigues and other lower income areas of the country.

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

DONE at Port Louis, Mauritius, in duplicate, this 11th day of July 1980.

For the Government
of the United States of America:

[Signed]

By: ROBERT C. F. GORDON
Title: Ambassador

For the Government
of Mauritius:

[Signed]

By: Sir VEERASAMY RINGADOO
Title: Minister of Finance

MINUTES OF THE NEGOTIATING MEETING BETWEEN THE PARTIES TO THE PROPOSED PL 480 TITLE I FY1980 RICE SALES AGREEMENT

Date: 7 July 1980, 0930 hours

Place: Ministry of Finance, Port Louis, Mauritius

Attending:

For the Government of Mauritius:

Mr. M. Baguant, Financial Secretary, Ministry of Finance

Mr. L. Purmessur, Permanent Secretary, Ministry of Agriculture

Mr. R. Maugendre, Principal Assistant Secretary, Ministry of Commerce and Industry

Mr. G. W. Adolphe, Trade Advisor, Ministry of Finance

Mr. D. Dusoruth, Senior Economist, Ministry of Economic Planning and Development

Mr. Wong So, Economist, Ministry of Economic Planning and Development

Mr. G. Tsang Mang Kin, First Secretary, Ministry of External Affairs

Mr. Seebaluck, Administrative Officer, Ministry of Finance

Mr. P. Ujoodha, Economist, Ministry of Finance

For the Government of the United States of America:

Mr. Thomas J. Burke, Deputy Chief of Mission, American Embassy, Port Louis

Mr. H. Peters Strong, Regional PL 480 Officer, U.S. Regional Economic Development Service Office, Nairobi

The purpose of the meeting was the negotiation between representatives of the Government of Mauritius and the Government of the United States of America for a Fiscal Year 1980 rice sales agreement for \$2.8 million under the PL 480 Title I program.

The following points were discussed:

1. The U.S. negotiating team explained that:

- A. A report on the Government of Mauritius progress in implementing the self-help initiatives under the 1979 agreement is required together with a report on the utilization of the sales proceeds. Completion of these reports in a timely manner together with quarterly compliance reports regarding progress towards meeting the Usual Marketing Requirements (UMR) are an important part of the agreement and their timely submission is significant in the consideration for subsequent agreements;
- B. Upon signing of the agreement the Government of Mauritius should act expeditiously in all matters pertaining to the purchase and delivery of the commodity stated in the agreement in order to comply with the supply period of the agreement (U.S. Fiscal Year 1980, i.e. 1 October 1979 through 30 September 1980). This includes but is not limited to: 1) the opening of letters of credit in favor of the supplier(s) of commodity and ocean transport for

- 100 percent of commodity and transport costs; 2) Government of Mauritius Embassy in Washington and/or any delegation sent to Washington for the purpose of implementing this agreement have full authorization or can expeditiously receive authorization to conclude all arrangements under this agreement; 3) request in writing a Purchase Authorization from the United States Department of Agriculture (USDA) for commodity under the agreement; 4) the issuance of an invitation for bids (IFB's) publicly advertised in the United States after approval of the IFB's by USDA; 5) all bid offerings must be received and publicly opened in the United States; 6) all awards under invitations to bid will be consistent with open, competitive and responsive bid procedures;
- C. Commissions, fees or other payments to selling/shipping agents are prohibited in the purchase of food commodities under the agreement;
- D. The Government of the United States insists that in the use of the resources made available through this agreement 1) specific emphasis should be placed upon the implementation of the self-help measures of the agreement so as to contribute directly to development progress in the rural areas and enable the poor to participate actively in increasing agricultural production through small farm agriculture; and 2) the use of the sales proceeds will be for purposes which directly improve the lives of the poorest people and their capacity to participate in the development of their own country. Particular attention is to be given to assisting small farmers by providing incentives to increase food production. This applies particularly to farmers on Rodrigues and other outer islands;
- E. If commodity prices increase over that calculated, i.e. 8,000 mt rice at \$2.8 million, the quantity of rice to be financed under the agreement will be less than 8,000 mt. However, should actual prices be lower at the time of purchase, the Government of Mauritius may purchase up to \$2.8 million worth of rice.
2. Negotiators for the Government of Mauritius explained that:
- A. The actual receiving, storage and distribution points and channels for rice under this agreement. Prices, independent of landed costs, to wholesalers, retailers and consumer are fixed, publicly posted and universally known to all consumers. The Government of Mauritius will be responsible for the import and primary storage of rice under the agreement. Private wholesale and retail merchants market rice imported by the Government. Private importers may also obtain import licenses and compete with government sales. However, the Government of Mauritius is responsible for providing an adequate daily supply of rice to the total population at reasonable prices within the range of the lowest income group including the people of Rodrigues. The Government of Mauritius through its Ministry of Price and Consumer Protection and Office of Supply assures adherence to established price and distribution procedures. A sophisticated computerized data processing system assists in monitoring rice allocations which together with other controls eliminates potentials for rice marketing outside of established channels. Fines and other penalties are imposed for violations.
- B. Appropriate offices of the Government would expeditiously relay to its Embassy in Washington 1) all instructions, information and authority neces-

sary to enable timely implementation of the agreement, including commodity specifications, 2) contracting and delivery periods, 3) names and addresses of banks handling transactions, 4) authority to request and sign purchase authorizations and other necessary documents, 5) complete instructions regarding arrangements for purchasing and/or shipping agents, if applicable, and 6) instructions to contact the Program Operations Division, Office of the General Sales Manager, U.S. Department of Agriculture, regarding the foregoing.

3. The negotiators for the Government of Mauritius assured that operable letters of credit for both commodity and freight will be opened and confirmed by designated U.S. banks immediately after contracting under each PA and before vessels arrive at loading port.

Initialled:

For the Government of Mauritius:

Sir VEERASAMY RINGADOO
Minister of Finance

Date: 11 July 1980

For the Government of the United States of America:

ROBERT C. F. GORDON
Ambassador

Date: 11 July 1980
