No. 21030

UNITED STATES OF AMERICA and SUDAN

Agreement for the sales of agricultural commodities. Signed at Khartoum on 19 January 1981

Authentic text: English. Registered by the United States of America on 15 April 1982.

ÉTATS-UNIS D'AMÉRIQUE et SOUDAN

Accord relatif à la vente de produits agricoles. Signé à Khartoum le 19 janvier 1981

Texte authentique : anglais. Enregistré par les États-Unis d'Amérique le 15 avril 1982.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF THE SUDAN FOR THE SALES OF AGRICULTURAL COMMODITIES

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF THE SUDAN UNDER PUBLIC LAW 480 TITLE I PROGRAM

The Government of the United States of America and the Government of the Democratic Republic of the Sudan have agreed to the sales of agricultural commodities specified below. This agreement shall consist of the preamble, parts I and III of the December 24, 1977, Agreement² together with the following part II.

PART II. PARTICULAR PROVISIONS

Item I. COMMODITY TABLE

Commodity	Supply Period (U.S. FY)	Approximate Max. Quantity (Metric Tons)	Max. Export Market Value (Millions)	
Wheat/Wheat flour (grain equivalent basis)	1981	20,800	Dols. 5.0	

Item II. PAYMENT TERMS

Convertible Local Currency Credit (40 years)

- 1. Initial payment-none.
- 2. Currency use payment-five (5) percent.
- 3. Number of installment payments—thirty-one (31).
- 4. Amount of each installment payment—approximately equal annual installments.
- 5. Due date of first installment payment—ten (10) years from date of last delivery of commodities in each calendar year.
- 6. Initial interest rate-two (2) percent.
- 7. Continuing interest rate—three (3) percent.

Item III. USUAL MARKETING TABLE

Commodity	Import Period (U.S. FY)	Usual Marketing Requirements (Metric Tons)	
Wheat/Wheat flour (grain equivalent basis)	1981	149,000	

¹ Came into force on 19 January 1981 by signature, in accordance with item VII.

² United Nations, Treaty Series, vol. 1147, p. 13.

Item IV. EXPORT LIMITATIONS

1982

A. The export limitation period shall be U.S. Fiscal Year 1981 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 wheat, wheat flour, rolled wheat, semolina, farina or bulgar (or the same product under a different name).

Item V. SELF-HELP MEASURES

A. The Government of the importing country agrees to undertake selfhelp measures to improve the production, storage and distribution of agricultural commodities. The following self-help measures shall be implemented to contribute directly to development progress in poor rural areas and enable the poor to participate actively in increasing agricultural production through small farm agriculture.

B. The Government of Sudan will undertake the following programs and provide adequate financial, technical and managerial resources for their implementation:

- 1. Continue to support and implement those agricultural policies within the framework of its stabilization program which are designed to increase agricultural production, export earnings, and rural incomes. These measures should include adjustments in export taxes and inland and water taxes, and improved and expanded incentives and support services for agricultural producers.
- 2. Increase support for activities in applied agricultural research which will directly benefit both traditional and modern producers through increased production yields and other means. As part of this effort the GOS will:
 - a. Increase funding for the Agricultural Research Corporation to assist its research activities directed towards improving production, marketing, and storage of food grains.
 - b. Provide funding for the Yambio Agricultural Research Station to construct and operate its new adaptive research and training station.
- 3. Expand and improve services and incentives for livestock herders and small farmers to assist in their efforts to increase productivity in food crop and livestock production. As part of this effort, the GOS will:
 - a. Expand and upgrade its local extension activities.
 - b. Improve its credit facilities for small producers.
 - c. Provide funds for the Ministry of Agriculture's Livestock and Meat Marketing Corporation to construct feed, water and veterinary stations and to implement disease programs for the benefit of traditional livestock herders.
 - d. Assist the Ministry of Agriculture in its efforts to improve its livestock and crop production programs in the six southern provinces.

- e. Provide funds to the Rural Water Corporation (RWC) to construct aquifers, water stations, and hand wells and to undertake ground water research.
- f. Provide funds to the Rural Water Development Department of the Southern Regional Ministry to construct and rehabilitate haffirs, wells, and pump maintenance workshops.
- 4. Support research and implement programs to reduce desertification and soil erosion and to restore previously degraded areas. As part of this effort, the GOS will provide funding for the projects detailed in the Desert Encroachment Control and Rehabilitation Program.
- 5. Implement measures to upgrade the ability of the national and provincial government agencies in Sudan to develop, implement and evaluate development projects throughout the country. As part of this effort, the GOS will:
 - a. Provide funds to the decentralized Rural Planning Program for both capital and operating expenditures.
 - b. Contribute program support funds to the Provincial Development Fund to be used to finance eligible projects at the local level which will be selfhelp in nature and designed to increase agricultural production, improve health education and social services, conserve limited natural resources, and improve credit availability for small-scale farmers.
 - c. Expand training programs and opportunities for mid-level management and technical personnel throughout those government agencies responsible for development planning and programs.
- 6. Expand and improve social services provided by the Ministry of Health (MOH) and other related agencies to the rural poor population of Sudan. Among the activities and programs to be undertaken should be construction of Primary Health Care warehouses for drugs and medical supplies, construction of Primary Health Care units and dispensaries, construction of safe water wells, and the administration of training programs for Ministry of Health personnel.
- 7. In cooperation with appropriate National/International organizations and the Government of the United States of America, namely the United States Department of Agriculture/United States Agency for International Development, conduct an official review of the current supply, distribution and trade data in the Agricultural Sector to determine completeness and validity for its utilization for economic development and related research analysis and projection and for Public Law 480—type programming. Particular emphasis will be given to updating supply/demand and trade data required for commodities proposed for PL 480 programming.

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 development sector, Agriculture and Rural Development, in a manner designed to increase the access

of the poor in the recipient country to an adequate, nutritious and stable food supply.

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

Item VII

Notwithstanding the provision in the Title I Agreement of December 24, 1977, found in part III, A, subparagraph 2, which provides for entry into force of said agreement upon U.S. Embassy receipt of notification of the completion of the constitutional procedures for ratification required by applicable law of the Democratic Republic of Sudan, the present Agreement shall become effective immediately upon signature of the two parties shown below.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement. Done at Khartoum in duplicate the 19th day of January 1981.

For the Government of the Democratic Republic of the Sudan:

[Signed — Signé]¹ $B_{\rm V}$: Title: Date: 19th January 1981

For the Government of the United States of America:

Bv: $[Signed - Signé]^2$ Title: Ambassador Date: January 19, 1981

1982

¹ Signed by Farouk Al Magboul — Signé par Farouk Al Magboul.

² Signed by C. William Kontos - Signé par C. William Kontos.