

No. 21085

**UNITED STATES OF AMERICA
and
GUINEA**

Agreement for sales of agricultural commodities (with minutes of negotiations). Signed at Conakry on 15 March 1973

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Conakry, 30 March and 11 April 1973

Authentic texts: English and French.

Registered by the United States of America on 22 June 1982.

**ÉTATS-UNIS D'AMÉRIQUE
et
GUINÉE**

Accord en vue de la vente de produits agricoles (avec compte rendu des négociations). Signé à Conakry le 15 mars 1973

Échange de notes constituant un accord modifiant l'Accord susmentionné. Conakry, 30 mars et 11 avril 1973

Textes authentiques : anglais et français.

Enregistrés par les États-Unis d'Amérique le 22 juin 1982.

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

The Government of the United States of America and the Government of Guinea have agreed to the sales of agricultural commodities specified below. This Agreement shall consist of the preamble, parts I and III and the Convertible Local Currency Credit Annex of the Agreement signed October 18, 1967,² and the following part II:

PART II. PARTICULAR PROVISIONS

Item I. COMMODITY TABLE

Commodity	Supply Period (U.S. Fiscal Year)	Approximate Maximum Quantity	Maximum Export Market Value (Thousands)
Wheat Flour	1973	16,000 metric tons	\$2,152
Cotton, upland	1973	5,000 bales	750
Soybean/Cottonseed Oil	1973	4,000 metric tons	1,173
			<u>\$4,075</u>

Item II. PAYMENT TERMS.

Convertible Local Currency Credit

1. Initial payment—None
2. Currency use payment—None
3. Number of installment payments—25
4. Amount of each installment payment—Approximately equal annual amounts
5. Due date of first installment payment—Six years after date of last delivery of commodities in each calendar year
6. Initial interest rate—2 percent
7. Continuing interest rate—3 percent

Item III. USUAL MARKETING REQUIREMENT

Commodity	Import Period (U.S. Fiscal Year)	Usual Marketing Requirement (Metric Tons)
Wheat Flour	1973	4,000
Edible vegetable oil/oilseeds (in oil equivalent)	1973	1,600

Item IV. EXPORT LIMITATIONS

A. Export Limitation Period: With respect to each commodity financed under this Agreement the export limitation period for the same or like commodities shall be for the United States fiscal year 1973 or any subsequent United States fiscal year during which said commodities financed under this Agreement are being imported or utilized.

B. For the purposes of part I, article III, A, 3, of the Agreement, the commodities considered to be the same as, or like, the commodities imported under this agreement are: for wheat flour—wheat, wheat flour, rolled wheat, semolina, farina and bulgur; for

¹ Came into force on 15 March 1973 by signature, in accordance with part III (B).

² United Nations, *Treaty Series*, vol. 701, p. 65.

cotton, upland—cotton, upland, and cotton textiles (including yarn and waste); for soybean/cottonseed oil—all edible vegetable oils including peanut oil, soybean oil, cottonseed oil, rapeseed oil, sunflower oil, and sesame oil and all oilseeds or beans from which these oils are produced.

Item V. SELF-HELP MEASURES

The Government of Guinea agrees to:

1. Continue to take effective action to stabilize its economy and to guard against inflation.
2. Request the assistance of appropriate international organizations to implement studies of its agricultural programs and policy, especially of the marketing system, in order to improve efficiency and to achieve optimum production levels.
3. Establish a rice price support and improved marketing program to provide an incentive to farmers to increase rice production.
4. Accelerate applied research on food crops (principally rice and corn) to determine fertilizer requirements, to find higher-yielding varieties and to disseminate such information for better crop and soil management practices.
5. Strengthen systems for collection, computation and analysis of agricultural statistics including import, export and other related trade data for use in determining agricultural production and marketing policies.

Item VI. ECONOMIC DEVELOPMENT PURPOSES FOR WHICH PROCEEDS ACCRUING TO IMPORTING COUNTRY ARE TO BE USED

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 item V and for the sectors described in the Government of Guinea's Development Plan for the National Economy.

Item VII. OCEAN FREIGHT (DIFFERENTIAL)

The Government of the exporting country shall bear the cost of ocean freight differential for commodities it requires to be carried in United States flag vessels, but, notwithstanding the provisions of paragraph 1 of the Convertible Local Currency Credit Annex, it shall not finance the balance of the cost of ocean transportation of such commodities.

Item VIII. OTHER PROVISIONS

Substitute the following for paragraph 4 of the Convertible Local Currency Credit Annex: "The total amount of the proceeds accruing to the importing country from the sale of the commodities financed under this Agreement, to be applied to the economic development uses set forth in part II of this Agreement, shall be not less than the local currency equivalent of the dollar disbursement by the government of the exporting country in connection with the financing of the commodities (other than the ocean freight differential) provided, however, that the sales proceeds to be so applied shall be reduced by the payment, if any, made by the government of the importing country pursuant to the proviso in section 103 (b) of the Act (such payment is herein called the currency use payment). The exchange rate to be used in calculating this local currency equivalent shall be the rate at which the central monetary authority of the importing country, or its authorized agent, sells foreign exchange for local currency in connection with the commercial import of the same commodities. Any such accrued proceeds that are loaned by the government of the importing country to private or nongovernmental organizations shall be loaned at rates of interest approximately equivalent to those charged for comparable loans in the importing country. The Government of the importing country shall

furnish, in accordance with its fiscal year budget reporting procedures, at such times as may be requested by the government of the exporting country but not less often than annually, a report of the receipt and expenditure of the proceeds, certified by the appropriate audit authority of the government of the importing country, and in the case of expenditures the budget sector in which they were used.”

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

DONE at Conakry, in duplicate, this 15th day of March 1973.

EN FOI DE QUOI, les représentants respectifs, dûment autorisés à cet effet, ont signé le présent Accord.

FAIT à Conakry, en double exemplaire, le 15 mars 1973.

Pour le Gouvernement des Etats-Unis d'Amérique :
For the Government of the United States of America:

[Signed — Signé]

TERENCE A. TODMAN

Ambassador of the United States of America¹

Pour le Gouvernement de la Guinée :
For the Government of Guinea:

[Signed — Signé]

El Hadj ABDOULAYE TOURÉ

Minister of Exterior Commerce²

¹ Ambassadeur des Etats-Unis d'Amérique.

² Ministre du commerce extérieur.

MINUTES OF THE NEGOTIATIONS CONCERNING THE 1973 PL-480 AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF THE REPUBLIC OF GUINEA

After having given a copy of the agreement proposed by the Government of the United States to the Division of Agreements and Programs of the Ministry of Exterior Commerce, the American negotiators raised the following points:

1. The commodity table of the agreement will include 16,000 metric tons of wheat flour (a value of \$2,152,000), and 4,000 metric tons of soybean oil/cottonseed oil (a value of \$1,173,000), and 5,000 bales of upland cotton (a value of \$750,000). The total value will be \$4,075,000 and the individual dollar amounts indicate the amount of commodity to be purchased. The Government of the United States cannot assure without reservation that all commodities listed can be delivered within FY 1973.

2. The Government of the United States regrets that the other products asked by the Government of Guinea, rice and tobacco, cannot be included in the present agreement. But the situation will be reviewed in about 6-8 weeks in Washington in light of the then existing availability of commodities and funds.

3. There will be 25 repayments to begin 6 years after the date of the last delivery of the commodities. The initial interest rate will be 2%, but the continuing interest rate will be 3%. There will be no initial payment and no currency use payment.

4. The Usual Marketing Requirements for FY 1973 will be 4,000 metric tons of wheat flour and 1,600 metric tons of vegetable oil. There is a shortfall of 3,000 metric tons of rice and 631 metric tons of edible vegetable oil that still has to be made up from the 1971 agreement.

5. The Usual Marketing Requirements must be purchased from Western sources with the resources of the Government of Guinea. The Government of the United States would like to receive as soon as possible a statement by the Government outlining its schedule to fulfill both the FY 1973 UMR's and the shortfall of 1971.

6. The Embassy is currently checking with Washington to ensure that the Government of Guinea is current in its interest payments. No new agreement can be signed until the previous arrearages have been settled.

7. Government of Guinea payments under the Market Development Conversion (Agricultural Marketing) schedule appear to be current. It is hoped that no delinquency will be allowed to occur in these payments which would oblige the United States Government to withhold the issuance of Purchase Authorizations. (The Government of Guinea has agreed to convert to other non dollar currencies 40,306,203.86 sylis in eight quarterly installments of sylis 5,038,275.48 each (\$61,193.64). These have been made on time).

8. Self-help measures as established in the 1971 Agreement¹ appear appropriate. We in particular encourage those self-help measures, such as the rice support and marketing program and applied research, which will encourage the production of agricultural products.

9. The termination clause and the memorandum of understanding of the Agreement of October 18, 1967, also applies to this agreement.

10. The Government of Guinea also is reminded that the report on self-help progress is due annually on December 1. The United States Government wishes to remind the Government of Guinea that the self-help report which was due on December 1, 1972, has not yet been received.

11. The agreement for identification and publicity agreed to during the negotiation of the March 12, 1971, Agreement are reaffirmed.

12. The United States Government wishes to remind the Government of Guinea of the provision of the United States law which requires that purchasers of agricultural commodities

¹ See "Agreement between the Government of the United States of America and the Government of Guinea for sales of agricultural commodities, signed at Conakry on 12 March 1971" in United Nations, *Treaty Series*, vol. 796, p. 317.

financed by PL-480 should permit American suppliers a fair chance to bid on tenders for supply of agricultural commodities purchased to fulfill the UMR's.

13. The United States Government wishes to advise the Government of Guinea that the UMR shortfalls must be met and, in the case of vegetable oil, imported in addition to the 1973 UMR of 1600 metric tons and 4,000 metric tons of flour. The United States Government would like to reiterate again its desire to obtain a schedule of imports from the Government of Guinea which will fulfill this shortfall.

14. The United States Government shall bear only the cost of the freight differential for the commodities it requires to be carried on United States flag ships.

15. New United States Government procedures no longer require that PL-480 sales receipts be deposited in a special account.

16. The United States Government wishes to point out that reporting is an essential part of programming responsibilities: the United States Government seeks the agreement of the Government of Guinea to furnish the United States Embassy the compliance report containing the information set out in para 2, 3, and 4 of paragraph D of article III, part I, of the agreement. The first report should be submitted not later than April 15 and should cover the period July 1, 1972, through March 31, 1973. The second reports covering the period April 1, 1973, through June 30, 1973, should be submitted on July 15. The United States Government wishes to point out that the Shipping and Arrival Reports should be returned to the United States Embassy as soon as possible but no later than 30 days from the date of unloading or the date of receipt of the Arrival and Departure sheets, whichever is later.

17. The United States Government would like to ascertain, upon signature of the agreement, what the Government of Guinea plans to import the commodities are.

18. Upon conclusion of the negotiation the United States Government requires 3 working days (72 hours) prior [to] the signing to complete clearances.

19. The United States Government wishes to point out to the Government of Guinea that if it plans to engage the services of an American firm or person as its agent to handle procurement of the commodities and/or ocean transportation, such agent must be approved in advance by the United States Department of Agriculture.

ROY T. HAVERKAMP
Counselor
American Embassy

FODE SOUMAH
Director, Division of Agreements and Programs
Ministry of Exterior Commerce

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF GUINEA AMENDING THE AGREEMENT OF 15 MARCH 1973 FOR SALES OF AGRICULTURAL COMMODITIES²

ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE LE GOUVERNEMENT DES ÉTATS-UNIS D'AMÉRIQUE ET LE GOUVERNEMENT DE LA GUINÉE MODIFIANT L'ACCORD DU 15 MARS 1973 EN VUE DE LA VENTE DE PRODUITS AGRICOLES²

I

[TRADUCTION — TRANSLATION]

*The American Counselor to the Guinean
Minister of Exterior Commerce*

Le Conseiller américain au Ministre guinéen du commerce extérieur

March 30, 1973

Le 30 mars 1973

No. 41

Excellency:

I have the honor to refer to the agricultural commodity agreement signed by our two governments on March 15, 1973,¹ and to propose that the maximum export market value of upland cotton be increased from \$750,000 to \$970,000 and that the maximum export market value of soybean/cottonseed oil be increased from \$1,173,000 to \$1,520,000. The total maximum export market value of the agreement will consequently be increased from \$4,075,000 to \$4,642,000. All the other terms and conditions of the March 15, 1973, agreement will remain the same.

If the foregoing is acceptable to your government, I would propose, Excellency, that this note and your reply to it constitute an agreement between our two governments effective the date of your note in reply.

N° 41

Monsieur le Ministre,

J'ai l'honneur de me référer à l'Accord en vue de la vente de produits agricoles signé par nos deux gouvernements le 15 mars 1973¹, et de proposer que la valeur marchande maximale d'exportation du coton à fibres courtes soit portée de 750 000 dollars à 970 000 dollars et que la valeur marchande maximale d'exportation de l'huile de soja/huile de coton soit portée de 1 173 000 dollars à 1 520 000 dollars. Le total de la valeur marchande maximale d'exportation visée par l'Accord passera donc de 4 075 000 dollars à 4 642 000 dollars. Toutes les autres clauses et conditions de l'Accord du 15 mars 1973 demeurent inchangées.

Si la proposition précédente rencontre l'agrément de votre gouvernement, je propose, Monsieur le Ministre, que la présente note et votre réponse constituent entre nos deux gouvernements un accord qui entrera en vigueur à la date de votre réponse.

¹ Came into force on 11 April 1973, the date of the note in reply, in accordance with the provisions of the said notes.

² See p. 272 of this volume.

¹ Entré en vigueur le 11 avril 1973, date de la note de réponse, conformément aux dispositions desdites notes.

² Voir p. 275 du présent volume.

Accept, Excellency, the assurances of my highest consideration.

Veuillez agréer, etc.

ROY T. HAVERKAMP

ROY T. HAVERKAMP

His Excellency Abdoulaya Touré
Minister of Exterior Commerce

Son Excellence Monsieur Abdoulaya Touré
Ministre du commerce extérieur

II

[TRANSLATION¹ — TRADUCTION²]

RÉPUBLIQUE DE GUINÉE
MINISTÈRE DES AFFAIRES EXTÉRIEURES
Le Ministre

REPUBLIC OF GUINEA
MINISTRY OF FOREIGN AFFAIRS
The Minister

Conakry, le 11 avril 1973

Conakry, April 11, 1973

No 593/MAE/CT/73

No. 593/MAE/CT/73

NOTE

Le Ministère des Affaires Extérieures de la République de Guinée présente ses compliments à l'Ambassade des Etats-Unis d'Amérique, et en réponse à sa note n° 41 du 30 mars 1973 a l'honneur de porter à sa connaissance l'acceptation par le Gouvernement guinéen de ses suggestions relatives à l'augmentation de la valeur maximum du marché d'exportation de 4 075 000 à \$ 4 642 000.

Les augmentations porteront sur la valeur maximum d'exportation du coton et de l'huile, pour respectivement \$ 970 000 et \$ 1 520 000 au lieu de \$ 750 000 et \$ 1 173 000.

Le Ministère du Domaine des Echanges retient également que tous les autres termes et conditions de l'Accord du 15 mars 1973 resteront les mêmes.

Le Ministère des Affaires Extérieures saisit cette occasion pour renouveler à l'Ambassade les assurances de sa haute considération.

Le Ministre,
[Signé]
FILY CISSOKO

Ambassade des Etats-Unis d'Amérique
Conakry

NOTE

The Ministry of Foreign Affairs of the Republic of Guinea presents its compliments to the Embassy of the United States of America and, in reply to its note No. 41 of March 30, 1973, has the honor to inform it that the Government of Guinea accepts its suggestions regarding the increase of the maximum export market value from \$4,075,000 to \$4,642,000.

The maximum export market values of cotton and oil will be increased from \$750,000 to \$970,000, and from \$1,173,000 to \$1,520,000, respectively.

The Ministry of Foreign Trade has noted that all the other terms and conditions of the March 15, 1973, Agreement will remain the same.

The Ministry of Foreign Affairs avails itself of this opportunity to renew to the Embassy the assurances of its high consideration.

[Signed]
FILY CISSOKO
Minister

Embassy of the United States of America
Conakry

¹ Translation supplied by the Government of the United States.

² Traduction fournie par le Gouvernement des Etats-Unis.