

No. 12107. AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FOR SALES OF AGRICULTURAL COMMODITIES. SIGNED AT MANILA ON 4 MAY 1972<sup>1</sup>

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>2</sup> AMENDING THE ABOVE-MENTIONED AGREEMENT. MANILA, 16 AUGUST 1972

*Authentic text: English.*

*Registered by the United States of America on 21 November 1973.*

I

*The American Ambassador to the Philippine Secretary of Foreign Affairs*

No. 476

Manila, August 16, 1972

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on May 4, 1972<sup>1</sup> and to propose amendment to part II as follows:

a. Item I, *Commodity Table*, is amended to add under the appropriate headings:

Rice, CY 1972, 100,000 Metric Tons, \$14,775 thousand. The Total Maximum Export Market Value of the Agreement increases from \$27,848 thousand to \$42,623 thousand.

b. Item II, *Payment Terms*, is amended in its entirety to read as follows:

*Convertible Local Currency Credit*

a. For tobacco, cotton, feedgrains all tallow:

1. Initial Payment—5 percent.
2. Currency Use Payment—20 percent of the dollar amount of the financing by the Government of the exporting country under this Agreement is payable to the Government of the exporting country in accordance with paragraph 6 of the Convertible Local Currency Credit Annex applicable to this Agreement and on the following schedule: One-half of the currency use payment applicable under this Agreement will be due on May 1, 1973 and the balance of the currency use payment will be due December 1, 1973. No request for payment will be made by the Government of the exporting country prior to the first disbursement by the Commodity Credit Corporation under this Agreement.
3. Number of Installment Payments—15.
4. Amount of Each Installment Payment—approximately equal annual amounts.
5. Due Date of First Installment Payment—5 years from date of last delivery of commodities in each calendar year.

<sup>1</sup> United Nations, *Treaty Series*, vol. 846, p. 47.

<sup>2</sup> Came into force on 16 August 1972, the date of the note in reply, in accordance with the provisions of the said notes.

6. Initial Interest Rate—2 percent.
7. Continuing Interest Rate—3 percent.
  - b. For rice the payment terms are:
    1. Initial Payment—none.
    2. Currency Use Payment—none.
    3. Number of Installment Payments—21.
    4. Amount of Each Installment Payment—approximately equal annual amounts.
    5. Due Date of First Installment Payment—10 years after date of last delivery of commodities in each calendar year.
    6. Initial Interest Rate—2 percent.
    7. Continuing Interest Rate—3 percent.

c. Item III, *Usual Marketing Table*, is amended to add under appropriate headings:  
Rice, CY 1972, none.

d. Item IV, *Export Limitations*, is amended by adding the following phrase at the end of paragraph B:

For rice—paddy brown rice and milled rice.

e. Item VI, *Economic Development Purposes for Which Proceeds Accruing to Importing Country are to be Used*, is amended in its entirety to read as follows:

Self-help measures specified in Item V and for economic development and flood relief and rehabilitation purposes as may be mutually agreed upon. The deposits referred to in Item VII paragraph 4 below shall be made to a separate account for relief and rehabilitation. The funds in this account will be used in accordance with a plan of activity jointly developed by the Philippine Government and the United States Agency for International Development. These uses will be for mutually agreed upon development projects with preference given to rehabilitation or improvement of feeder roads, irrigation systems, flood control systems, and school buildings in the disaster areas.

f. Item VII, *Other Provisions*, paragraph 4 is amended in its entirety to read as follows:

With reference to paragraph 4 of the Convertible Local Currency Credit Annex, the Government of the importing country may make deposits of proceeds from the sale of commodities included in Item I above within one year from the sale of the commodities within the importing country. Except, however, the local currency accruing to the importing country from the sale of rice provided under this Agreement will be deposited in a relief and rehabilitation account in accordance with the following schedule: 50 percent within 60 days of its arrival in the importing country and the balance within the next 60 days.

All other terms and conditions of the May 4, 1972 Agreement remain the same.

If the foregoing is acceptable to your Government, I propose that this note and your reply thereto constitute an agreement between our two Governments effective on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

His Excellency Carlos P. Romulo  
Secretary of Foreign Affairs  
Republic of the Philippines  
Manila

HENRY A. BYROADE

## II

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FOREIGN AFFAIRS

19268

Manila, 16 August 1972

Excellency:

I have the honor to refer to Your Excellency's note No. 476 dated 16 August 1972 which reads as follows:

[See note I]

I have the honor to inform Your Excellency that the proposal set forth in the above-quoted note is acceptable to my Government, and that Your Excellency's note and this reply constitute an agreement between our two Governments which shall be effective as of the date of this note.

Accept, Excellency, the renewed assurances of my highest consideration.

CARLOS P. ROMULO  
Secretary of Foreign Affairs

His Excellency Henry Byroade  
Ambassador Extraordinary and Plenipotentiary  
Embassy of the United States of America  
Manila

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE PHILIPPINES AMENDING THE AGREEMENT OF 4 MAY 1972 FOR SALES OF AGRICULTURAL COMMODITIES, AS AMENDED.<sup>2</sup> MANILA, 27 AND 31 OCTOBER 1972

*Authentic text: English.*

*Registered by the United States of America on 21 November 1973.*

I

*The American Ambassador to the Philippine Secretary of Foreign Affairs*

Manila, October 27, 1972

No. 659

Excellency:

I have the honor to refer to the Agricultural Commodities Agreement signed by representatives of our two Governments on May 4, 1972,<sup>3</sup> and to the Exchange of Notes of August 16, 1972<sup>4</sup> amending the Agreement to add 100,000 MT of rice with Maximum Export Market Value of \$14,775 thousand. In view of the higher cost of milled rice which will comprise the larger portion of the rice delivered under this Agreement, I propose that the Maximum Export Market Value of the rice be increased from \$14,775 thousand to \$21,000 thousand and, consequently, the Total Maximum Export Market Value of the Agreement be increased from \$42,623 thousand to \$48,848 thousand.

All other terms and conditions of the May 4, 1972 Agreement, as amended by the Exchange of Notes of August 16, 1972, remain the same.

If the foregoing is acceptable to your Government, I propose that this note and your reply thereto constitute an agreement between our two Governments effective the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

HENRY A. BYROADE

His Excellency Carlos P. Romulo  
Secretary of Foreign Affairs  
Republic of the Philippines  
Manila

II

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FOREIGN AFFAIRS

Manila, 31 October 1972

26743

Excellency:

I have the honor to refer to Your Excellency's note No. 659 dated 27 October 1972 which reads as follows:

[See note I]

I have the honor to inform Your Excellency that the proposal set forth in the above-quoted note is acceptable to my Government, and that Your Excellency's note and

<sup>1</sup> Came into force on 31 October 1972, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, vol. 846, p. 47, and p. 223 of this volume.

<sup>3</sup> *Ibid.*, vol. 846, p. 47.

<sup>4</sup> See p. 223 of this volume.

this reply constitute an agreement between our two Governments which shall be effective as of the date of this note.

Accept, Excellency, the renewed assurances of my highest consideration.

[Signed]

JOSE D. INGLES

Acting Secretary of Foreign Affairs

His Excellency Henry Byroade  
Ambassador Extraordinary and Plenipotentiary  
Embassy of the United States of America  
Manila

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