

No. 30309

**UNITED STATES OF AMERICA
and
SOMALIA**

**Agreement for the sales of agricultural commodities. Signed
at Mogadiscio on 17 June 1982**

Authentic text: English.

Registered by the United States of America on 28 September 1993.

**ÉTATS-UNIS D'AMÉRIQUE
et
SOMALIE**

**Accord relatif à la vente de produits agricoles. Signé à
Mogadishu le 17 juin 1982**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 28 septembre 1993.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF SOMALIA DEMOCRATIC REPUBLIC FOR SALES OF AGRICULTURE COMMODITIES

The Government of the United States of America and the Government of the Somalia Democratic Republic agree to the sale of agricultural commodities specified below. This agreement shall consist of the Preamble and Parts I and Part III of the March 20, 1979 Agreement,² together with the following Part II.

Part II. Particular Provisions:

Item I. Commodity Table:

<u>Commodity</u>	<u>Supply Period (U.S. FY)</u>	<u>Approximate Quantity (Metric Tons)</u>	<u>Export Market Value (Millions)</u>
Wheat	1982	5,500	.9
Wheat Flour	1982	11,600	3.2
Rice	1982	21,000	6.3
Soybean/Cottonseed Oil	1982	6,500	4.1
TOTAL			14.5

Item II. Payment Terms: Convertible Local Currency Credit (CLCC)

- A. Initial Payment - None
- B. Currency Use Payment - Amount five (5) percent for Section 104(a) purposes
- C. Number of Installment Payments - Thirty-one (31)
- D. Amount of each Installment Payment - Approximately Equal Annual Amounts
- E. Due Date of First Installment Payment - Ten (10) years after date of Last Delivery of Commodities in each Calendar Year.
- F. Initial Interest Rate - Two (2) percent.
- G. Continuing Interest Rate - Three (3) percent.

¹ Came into force on 17 June 1982 by signature, in accordance with part III (A) of the Agreement of 20 March 1978 referred in note 2 below.

² United Nations, *Treaty Series*, vol. 1149, p. 427.

Item III. Usual Marketing Table:

<u>Commodity</u>	<u>Import Period (U.S. FY)</u>	<u>Usual Marketing Requirements (Metric Tons)</u>
Rice	1982	32,000
Wheat/Wheat Flour (Grain equivalent basis)	1982	24,000
Soybean/Cottonseed Oil	1982	6,800

Item IV. Export Limitations:

(A) The export limitations period shall be U.S. fiscal year 1982, or any subsequent U.S. fiscal year during which commodities financed under this Agreement are being imported or utilized.

(B) Commodities to Which Limitations Apply:

For the purposes of Part I, Article III (A) (4) of this Agreement, the commodities which may not be exported are: For Wheat/Wheat flour - wheat, wheat flour - rolled wheat, semolina, farina, bulgur, (or the same product under a different name); for soybean/cotton seed oil - all edible vegetable oils including sunflower oil, peanut oil, sesame oil, cottonseed oil, rapeseed oil, and any other edible oil bearing seeds from which edible oils are produced; and for rice - rice in the form of paddy, brown or milled.

Item V. Self-Help Measures:

(A) The Government of the Somali Democratic Republic agrees to undertake self-help measures to improve production through: expanding the irrigation system; biannual review of prices paid to farmers; improvement/expansion of the extension service for both crops and livestock; upgrading of Agriculture Research, and development of an agriculture sector data system.

The Self-help measures set forth in V.B. below shall be implemented to contribute to agriculture/livestock development progress in poor rural areas, and to enable small farmers to more fully participate in increasing agriculture/livestock production.

(B) The Government of the Somali Democratic Republic agrees to undertake the following activities and, in doing so, to provide adequate financial, technical and managerial resources for their implementation:

1. Place high priority on the rehabilitation of existing irrigation schemes. As part of these efforts the GSDR will:
 - (a) Rehabilitate certain irrigation systems in the Upper Shebelle area.

- (b) Turn over the operation and maintenance of wells to users or associations of users.
- 2. Review, at least biannually, farm gate prices of crops produced with the intent to assure that such prices more closely approximate export and import parities at realistic exchange rates.
- 3. Increase the availability of agricultural inputs at a reasonable cost level.
- 4. Review the management of public enterprises in the agriculture and agro-industrial sector in order to determine ways to improve efficiency in operations, and investment policy decisions; and where indicated by such reviews, phase out inefficient public enterprises in the agriculture sector.
- 5. Review policy measures in the agricultural sector in order to encourage foreign and domestic private investment in developing the sector.
- 6. Improve the effectiveness of agricultural research and extension services. As part of these efforts the GSDR will:
 - (a) provide adequate material resources for present personnel assigned to research and extension work.
 - (b) develop a long-term national strategy for expanding agricultural research.
 - (c) develop, and then demonstrate, extension procedures designed to fit Somalia's needs and resources.
- 7. Improve management of technical training programs in the agricultural sector and establish economic incentives to encourage the retention of technically qualified personnel in the sector.
- 8. Provide health and other social services to rural areas to improve farm population physical well-being and work environment.

Item VI. Economic Development Purposes for Which Proceeds Accruing to Importing Country Are to be Used

- A. The commodities provided hereunder, or the proceeds accruing to the importing country from the sale of such commodities, will be used for the following projects/programs which directly benefit the needy people of the importing country.