

AGREEMENT BETWEEN
THE GOVERNMENT OF
THE REPUBLIC OF LIBERIA

A N D

THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

FOR THE SALE OF
AGRICULTURAL COMMODITIES
UNDER THE PUBLIC LAW 480,
TITLE I PROGRAM

The Government of the Republic of Liberia and the Government of the United States of America agree to the sale of Agricultural commodities specified below. This Agreement shall consist of the Preamble and Parts I and III of the Agreement signed August 13, 1980, together with the following Part II.

PART II. PARTICULAR PROVISIONS:

Item I: Commodity Table:

Commodity	Supply Period (U.S. FY)	Approximate Maximum Quantity (MT)	Maximum Export Market Value (Millions)
Rice	1983	44,800	15.0

Item II: Payment Terms: Covertible Local Currency
Credit (CLCC) Twenty-Five (25) years

- A. Initial Payment - None
- B. Currency Use Payment - None
- C. Number of Installment Payments - Twenty-one (21)
- D. Amount of Each Installment Payment- Approximately Equal Annual Amounts
- E. Due Date of First Installment Payment - Five (5) 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

Item III: Usual Marketing Table:

Commodity	Import Period (U.S. FY)	Usual Marketing Requirement (MT)
Rice	1983	48,000

Item IV. Export Limitations:

- A. Export Limitation Period:

The export limitation period shall be U.S. Fiscal Year 1983, or any subsequent United States Fiscal Year during which commodities financed under this Agreement are being imported or utilized.

B. Commodities to which Export Limitations Apply:

For the purposes 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.

Item V. Self-Help Measures:

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

B. The Government of Liberia agrees to undertake the following activities and in doing so to provide adequate financial, technical and managerial resources for their implementation:

1. Decentralize the administration of agricultural programs in order to increase the productivity of these programs, improve the efficiency of decision making, and thus enlarge the number of small farmers who have access to government and private sector services.

a. The Ministry of Agriculture (MOA) will align its payrolls to conform with the various divisions within the MOA in time for implementation in the 1983/84 GOL budget.

b. Consistent with Executive Order 13 of August 19, 1980, which states that CARI is a semi-autonomous institution, the Agricultural Research Council and the Technical Committee will meet quarterly and will act as the Board of Directors to the Institute with the Institute Director responsible for day-to-day operations, employment, and the management of both internal and external resources available to CARI.

c. A review will be performed by the GOL within six months of the signature of this Agreement to determine how best the functions of the Liberia Coffee and Cocoa Corporation and the Liberia Palm Products Corporation can be carried out. The review will recommend to government whether these Corporations should be dissolved or this administration consolidated under the Ministry of Agriculture, or some other solution.

2. Implement a coordinated program approach to agricultural development that emphasizes economic analysis of proposed investment decisions, limits government participation to research, extension, training, and policy formulation and encourages production by the private sector.

a. The Government of Liberia will study rice pricing in Liberia and determine if imported rice is causing a significant disincentive to production of indigenous rice. The study will be concluded within six months of the signing of this Agreement.

b. The Ministry of Finance will develop a schedule showing counterpart funds available for development projects and timing for release of those funds on a quarterly basis after allotments are received from the Ministry of Planning and Economic Affairs (MPEA). The schedule will be forwarded to USAID 90 days after arrival of each shipment of PL 480 rice.

3. Develop operational procedures for a coordinated program of agricultural research, extension and training.

a. The MOA will develop by April 30, 1983, a training plan for its extension staff and in that plan specify how the Rural Development Institute (RDI) will contribute to upgrading the skills of extension workers.

Item VI: Economic development purposes for which proceeds accruing to importing country are to be used:

A. The proceeds accruing to the Government of Liberia 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 projects in a

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

1. Central Agricultural Research Institute
2. Agricultural Training
3. Bong Rural Development
4. Lofa Rural Development
5. Nimba Rural Development
6. PFP
7. Livestock
8. Agricultural Bank
9. Liberia Rubber Development
10. Liberia Coffee & Cocoa
11. Agricultural Extension
12. Seed Multiplication
13. Liberia Rural Communication
14. Primary Health Care
15. Feeder Roads
 - Lofa
 - Bong
 - Nimba
 - Since
 - Grand Gedeh
16. Southeastern Rural Development Project
17. Rural Development Institute

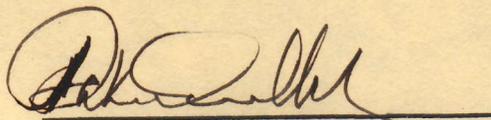
B. In the use of proceeds for these purposes emphasis with be placed on directly imporving the lives of the poorest of the Liberian People and their capacity to participate in the development of their country.

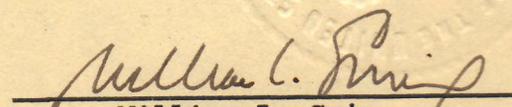
C. The dollars, fifteen (15) million, generated from the sale of rice provided under this Agreement, will go into a special account and will be utilized to support the self-help measures delineated in Item V as well as other development projects specified in Item VI (A) of this Agreement.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement. Done at Monrovia, in duplicate, this 17th day of December A.D., 1982

FOR THE GOVERNMENT OF THE
REPUBLIC OF LIBERIA

FOR THE GOVERNMENT OF THE UNITED
STATES OF AMERICA


H. Boima Fahnbulleh, Jr.
MINISTER OF FOREIGN AFFAIRS


William L. Swing
AMERICAN AMBASSADOR





12 JUL 1982

No. 349

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Republic of Liberia and has the honor to refer to the Agreement Between the Government of the United States and the Government of Liberia for the Sale of Agricultural Commodities Under the Public Law 480, Title I Program of April 6, 1982.

The Department of State has requested that the following correction be made of an error in the text of the agreement:

Item II, E should read, "E. Due Date of First Installment Payment -- Five Years (5) After Date of Last Delivery of Commodities in Each Calendar Year." As the agreement now stands, the phrase "After Date of Last Delivery of Commodities in Each Calendar Year" has been omitted.

These corrections should be made to the original of the above-mentioned agreement, now in the possession of the Government of Liberia. The Embassy would appreciate confirmation that the corrections have been made.

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs of the Republic of Liberia the assurances of its highest consideration.

Embassy of the United States of America