

SUPPLIES OF PORTUGUESE COLONIAL SISAL

Exchange of notes at Lisbon, May 17, 1946

Entered into force May 17, 1946; operative June 1, 1946

Expired June 30, 1947

Treaties and Other International
Acts Series 1590

The American Ambassador to the President of the Council of Ministers

EMBASSY OF THE
UNITED STATES OF AMERICA
LISBON, *May 17, 1946*

EXCELLENCY:

I have the honor to transmit to Your Excellency herewith a proposal in accordance with which quantities of Portuguese colonial sisal will be supplied to the United States Government during the period running from June 1, 1946 to June 30, 1947.

This proposal has been agreed upon in the negotiations which have just been concluded between representatives of the Portuguese Government and of the United States Government. Accordingly I have the honor to suggest that if the proposal set forth in the enclosure to the present Note meets with the approval of the Portuguese Government, Your Excellency's reply in that sense, together with my Note, should be regarded as constituting an agreement between our two Governments.

Please accept, Excellency, the renewed expressions of my highest consideration.

HERMAN B. BARUCH

Enclosure:

Proposal, as stated.

His Excellency

Dr. ANTONIO DE OLIVEIRA SALAZAR

President of the Council of Ministers

Lisbon

PROGRAM OF SUPPLIES OF PORTUGUESE COLONIAL SISAL TO THE UNITED
STATES GOVERNMENT

1) The Portuguese Government will make available to the United States Government during the thirteen months from June 1, 1946 to June 30,

1947 sisal from the Portuguese colonies of Angola and Mozambique on the following basis, granting export licenses for sisal in accordance therewith:

a) The entire output in both colonies of all plantations at present operated by German or German-affiliates, irrespective of any changes in ownership which may take place during the period of this program. This production (hereinafter referred to as "German-produced sisal") is estimated at approximately 14,000 metric tons for the calendar year 1946. The Portuguese Government will prevent illicit diversion of such sisal during the period of this program;

b) 40% of the total production of the Portuguese (national) producers in Mozambique.

2) The requirements of continental Portugal, set at 3,000 metric tons per annum, will take precedence over any commitment made under the present program.

3) The United States Government confirms the understanding of the Portuguese Government that all sisal procured under this program will be imported into the United States and processed there.

4) The Portuguese Government, through the respective colonial authorities, is willing to take all measures that it considers necessary to ensure maximum production and likewise, through the intermediary of the competent corporative organizations, to take appropriate steps to prevent hoarding which might make difficult the delivery of sisal. It will also similarly cooperate in the endeavor to see to it that the movement of sisal to the United States be as regular and expeditious as possible.

5) The prices to be paid for the sisal made available to the United States under this program shall be on the basis of \$220 per metric ton f.o.b. ocean-going vessel Mozambique ports for all sisal produced in that colony and \$180 per metric ton f.o.b. ocean-going vessel Angola ports for German-produced sisal in that colony. The foregoing stated dollar prices refer only to the top grade of line sisal. For the various lower grades of sisal the prices paid will be appropriately adjusted so that the already previously established dollar differentials between the respective grades will continue to apply.

6) In conjunction with this program and upon request of the Portuguese authorities, the United States Government will render such assistance as is compatible with its general policies, laws and regulations to the Portuguese Government in obtaining deliveries of equipment and supplies which the Portuguese Government or its nationals, primarily those engaged in the production or delivery of sisal, wish to purchase or have purchased from the United States Government or suppliers in the United States.

7) Detailed commercial arrangements will be made between the Junta de Exportacao in each of the colonies and representatives of the United States Government for the purpose of carrying out the intent of this pro-

gram. These will include any special arrangements by which the transactions in German-produced sisal in both colonies are to be regulated.

8) This program may be modified at any time after March 31, 1947, at the request of either party upon advance notice of 90 days. In the event that agreement with respect to a requested modification cannot be reached within the 90 days' period referred to, the program will lapse upon the expiration of that period.

The President of the Council of Ministers to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
GENERAL ADMINISTRATION OF
ECONOMIC AND CONSULAR AFFAIRS

Proc° 47 (s)

N° 14

LISBON, *May 17, 1946*

MR. AMBASSADOR,

With reference to Your Excellency's note, of today's date, which accompanied the proposal for the furnishing of sisal from the Portuguese Colonies to the Government of the United States during the period to run from June 1, 1946 to June 30, 1947, a proposal concerning which agreement was reached in the negotiations between the representatives of the Portuguese Government and the Government of the United States now concluded, I have the honor to confirm the approval by the Portuguese Government of the aforementioned proposal.

In conformity with this, and in agreement with the suggestion made by Your Excellency in your note, I agree that that note and the present reply, accompanied by the Portuguese text of the proposal, constitute the agreement with respect to this matter arranged between the two Governments.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest consideration.

A D'O SALAZAR

His Excellency

Mr. HERMAN BARUCH

Ambassador of the United States of America

Lisbon