

DISTRIBUTION AND SUPPLY OF RUBBER TO ARGENTINA

*Exchange of notes among the United States, Argentina, and Brazil at
Buenos Aires May 2, 1945*

Entered into force May 2, 1945

*Terminated August 29, 1946, as between the United States and Brazil,¹
and October 1, 1946, as between the United States and Argentina²*

60 Stat. 1821; Treaties and Other
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UNITED STATES NOTE

*The American Chargé d'Affaires ad interim to the Argentine Acting Minister
for Foreign Affairs and Worship*

No. 976

BUENOS AIRES, *May 2, 1945.*

EXCELLENCY,

I have the honor to address Your Excellency with reference to the negotiations carried out by the Joint Mission representing the Governments of the United States of America, and of Brazil, relative to the distribution and supply of rubber to the Republic of Argentina and to express the agreement of my Government to the following clauses:

1. The Republic of Argentina will be integrated, from this date, into the system, for establishing the allocation and supply of tires and tubes and for obtaining the maximum conservation of rubber during the present emergency, which system has been developed through agreements between Brazil and the United States of America and between the United States of America and various of the other American Republics.

2. In order to further the war effort, the Government of Argentina will promptly adopt and implement appropriate measures for the accomplishment of the following purposes:

¹ By an exchange of notes of Aug. 19 and 29 and Sept. 9, 1946, between the American Ambassador at Rio de Janeiro and the Acting Brazilian Minister for Foreign Affairs.

² By an exchange of notes of Oct. 1, 1946, between the American Ambassador at Buenos Aires and the Argentine Minister for Foreign Affairs.

(a) to ensure that rubber, rubber products, and material utilized in the production of rubber products, will be used solely to satisfy the essential economic requirements of Argentina;

(b) to prevent the sale of rubber products and of materials imported for the production of such products at prices exceeding the cost of such products and materials plus reasonable margins of profit;

(c) to prevent contraband transactions in natural rubber and rubber products produced in other American Republics;

(d) to prevent the utilization of natural rubber for the manufacture of articles not essential to the economic requirements of Argentina or for the manufacture of tires and tubes except in such sizes and for such purposes as may be necessary to satisfy such requirements;

(e) to establish procedures for the issuance of import recommendations for quantities of tires, tubes and other rubber products, and for materials to be imported for the production of such products, not exceeding allocations established pursuant to these agreements, so as to permit an orderly operation and control with respect to Argentina of the present system of allocation and supply.

3. In order to permit the orderly establishment of the procedures referred to under paragraph 2 above and the completion of the necessary technical studies, there will occur an interim period of approximately two months, commencing upon this date, during which the following steps, intermediate to the final integration of Argentina into the present system, will be taken:

(a) an interim allocation of 3000 tires and an equivalent number of tubes will be established for immediate importation by Argentina from Brazil or in part from the United States of America depending on the availability of the sizes and quantities into which such allocation is divided as the result of special consultation which will take place between the parties;

(b) an interim allocation of 1000 metric tons of synthetic rubber (GRS) and materials for its utilization for the production and repair of tires and tubes in Argentina will be established for immediate importation by Argentina from the United States of America, or from stocks held in Brazil;

(c) appropriate studies will be conducted by representatives designated by Argentina in consultation with representatives of the United States of America and of Brazil to determine:

(1) the quantities and sizes of tires and tubes which are essential for the economic requirements of Argentina;

(2) the portion of these requirements which can be supplied through production in Argentina by the utilization of existing facilities and maximum quantities of synthetic rubber;

- (3) the portion of these requirements which must be supplied by importation from Brazil and the United States of America; and
- (4) the quantity and type of materials needed to secure the maximum supply of local requirements from local production.

(d) Argentina will designate a technical mission of experts which will proceed to the United States of America for study of the methods required for the maximum utilization of synthetic rubber and the United States of America will facilitate the studies of such mission through the furnishing of technical advice and assistance subject to the limitation of the use of such technical advice to the maximum utilization of synthetic rubber during the period of the emergency.

(e) on the basis of the studies concluded under subparagraph (c) above, regular allocations on a quarterly basis of tires and tubes required to be imported by Argentina will be established.

4. Following the aforesaid interim period and the completion of the establishment of the procedures agreed upon above by Argentina, Brazil and the United States of America will use their best efforts to insure that the essential economic requirements of Argentina for tires and tubes and the materials necessary for their manufacture, which must be obtained by importation, will be met so far as they can be supplied within the limitations of the available supply, of the essential requirements of war and with due consideration for the essential requirements of other countries.

5. It is understood and agreed that this agreement will remain in force during such period as the present emergency shortage of natural rubber continues and shall terminate ninety days after it is mutually agreed between the parties that such emergency conditions no longer exist.

Your Excellency's note, this note and that of the Chargé d'Affaires of Brazil, all of even date, constitute as from today an agreement among our respective Governments which will remain in force until such time as the terms of paragraph five herein are fulfilled.

I avail myself of this opportunity to reiterate to Your Excellency the assurances of my most distinguished consideration.

EDWARD L. REED
Chargé d'Affaires a. i.

His Excellency

Doctor CÉSAR AMEGHINO,

Acting Minister for Foreign Affairs and Worship,

Etc., etc., etc.

ARGENTINE NOTE

*The Argentine Acting Minister for Foreign Affairs and Worship
to the American Chargé d'Affaires ad interim*

[TRANSLATION]

D.A.E. No.

BUENOS AIRES, *May 2, 1945*

MR. CHARGÉ D'AFFAIRES:

I have the honor to address Your Excellency with reference to the negotiations carried out with the United States-Brazil Joint Mission, relative to the distribution and supply of rubber to the Republic of Argentina, in order to express the agreement of my Government to the following clauses:

[For terms of agreement, see numbered paragraphs in U.S. note, above.]

This note, Your Excellency's reply and that of Brazil's representative, will constitute as from today an Agreement among our respective Governments which will remain in force until such time as the terms of paragraph 5 herein are applied.

I convey to Your Excellency the assurances of my highest consideration.

C. AMEGHINO

His Excellency

EDWARD JOHN REED

*Chargé d'Affaires of the United States of America,
The Federal Capital*

BRAZILIAN NOTE

*The Brazilian Chargé d'Affaires to the Argentine Acting Minister
for Foreign Affairs*

[TRANSLATION]

No. 52/890.(42) (41)

BUENOS AIRES, *May 2, 1945*

MR. MINISTER,

I have the honor to acknowledge receipt of Your Excellency's note of this same date, referring to the negotiations which took place on April 26 last between the Joint Brazil-United States Commission and the Department of Industry and Commerce of the Argentine Republic, for the purpose of establishing the distribution and supply of rubber products and matters related thereto, in the course of which agreements were concluded with a view to integrating the Argentine Republic into the system for the distribution and supply of tires and tubes and for the maximum conservation of rubber, for as long a time as the present situation of scarcity of natural rubber prevails, that system having been established between Brazil and the United States

of America and between the United States of America and various other American republics.

2. In reply, I have the honor to take due note of the agreement of the Argentine Government to the clauses transcribed below, which were agreed upon between Consul General Mario Moreira da Silva, verified member of the Commission for the Control of Washington Agreements, representing Brazil, and Francis Adams Truslow, President of the Rubber Development Corporation, an official agency of the United States of America, in a joint mission of the Governments of Brazil and of the United States of America and General D. Julio Checchi, Secretary of Industry and Commerce, representing the Government of the Argentine Republic.

[For terms of agreement, see numbered paragraphs in U.S. note, above.]

This note, Your Excellency's note, and that of the diplomatic representative of the United States of America accredited to the Argentine Government will constitute, as from today, an Agreement between our Governments which will remain in force until terminated in the manner prescribed in Paragraph 5 (five) herein.

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

PAULO DEMÔRO
Brazilian Chargé d'Affaires

His Excellency

Dr. CÉSAR AMEGHINO

Acting Minister of Foreign Affairs and Worship