

OGSM: G-517-7/927-00  
Country: Dominican Republic

UNITED STATES GOVERNMENT  
AGRICULTURAL COMMODITY FOREIGN DONATION AGREEMENT  
(SECTION 416)

The Agency for International Development (A.I.D.), the Commodity Credit Corporation (CCC) and Government of Dominican Republic (the Cooperating Sponsor) agree as follows:

1. CCC agrees to donate to the Cooperating Sponsor agricultural commodities of the kind and amount specific in Section 2 pursuant to the authority of Section 416 (b) of the Agricultural Act of 1949, as amended. CCC shall deliver such commodities in accordance with the delivery schedule specified in Section 2.
2. Agricultural commodities to be donated to the Cooperating Sponsor are as follows:

<u>Product</u>	<u>Package</u>	<u>Quantity</u> <u>MTS</u>	<u>Delivery Month</u> <u>to U.S. Port</u>	<u>Foreign</u> <u>Designat</u>
Wheat	Bulk	200,000 MT	(See Attachment A)	All Por
Corn	Bulk	120,000 MT	(See Attachment A)	All Por

Note: Should the above schedule change, the Cooperating Sponsor will promptly inform the CCC and coordinate a revised delivery schedule. The person to contact is Chief, Export Operations Branch, Agricultural Stabilization and Conservation Service/USDA, Kansas City Commodity Office (KCCO), P.O. Box 419205, Kansas City, Missouri, 64141-0205, telephone (816) 926-6658.

3. The payment of all costs associated with the processing, packaging, transporting, handling and other charges incurred in the distribution of the commodities will be apportioned as follows:
  - a. CCC agrees to donate the agricultural commodities without charge and to pay the following costs: Ocean transportation, survey fees, processing and handling, and transport cost to U.S. port or port(s) of allocation.
  - b. The Cooperating Sponsor agrees to pay the following costs: all charges, associated with receiving the commodity at the discharge port(s) to final destination in Dominican Republic. The Cooperating Sponsor agree to arrange freight forwarding and booking.

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4. Notwithstanding Section 210.5 (d) (2) (i), A.I.D. Regulation 10, the Cooperating Sponsor agrees to arrange ocean transportation and freight forwarding so as to comply with the requirements of CCC regarding the quantities of commodities made available under this agreement that must be carried on U.S. flag vessels.
5. The quality of the agricultural commodities to be donated by the CCC and the packaging description will be in accordance with the specifications in Attachment B to this Agreement.
6. The terms and conditions set forth in the approved Plan of Operation (Attachment A) are incorporated into and made a part of this Agreement.
7. Except as otherwise provided herein, the terms and conditions set forth in A.I.D. Regulation 10 are incorporated into and made a part of this agreement, and all references therein to "Dairy Products" shall be deemed to apply to the donation of wheat and corn under this agreement.
8. In lieu of Section 210.10, (g) A.I.D. Regulation 10, the following shall apply:

The amount to be paid for wheat or corn products misused, lost or damaged, shall be determined on the basis of the market price at the time and place the misuse, loss or damage occurred or, in cases where it is not feasible to obtain or determine such market price, F.O.B. commercial export price of the commodity at the time and place of export, plus ocean freight charges and other costs incurred by the Government of the United States in making delivery to the Cooperating Sponsor.

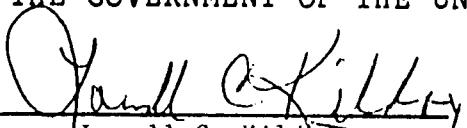
When the value is determined on a cost basis, the Cooperating Sponsor may add to the value any provable costs they have incurred prior to delivery by the ocean carrier. In preparing the claim statement, these costs shall be clearly segregated from costs incurred by the Government of the United States: With respect to claims other than ocean carrier loss and damage claims, the value of misused, lost or damaged commodities may be determined by some other justifiable basis, at the request of the Cooperating Sponsor and upon the approval of the USAID or Diplomatic Post, and/or AID/Washington.

9. In lieu of Section 210.6 (b) (4), (b) (5), or (b) (6) or any other provisions of A.I.D. Regulation 10 prohibiting the sale of agricultural commodities donated under this Agreement, the Cooperating Sponsor may sell such commodities for the purpose of generating local currency to be used in accordance with the approved Plan of Operation (Attachment A).

10. The provisions of Section 210.14(A), A.I.D. Regulation 10, to the extent such provisions are not compatible with the Plan of Operation (Attachment A), are deemed waived, in accordance with Section 210.14(A), A.I.D. Regulation 10.
11. This agreement shall be subject to suspension or termination upon finding by the U.S.G. that (1) the Cooperating Sponsor or its designated agent does not have access to adequate storage facilities at the time of export to prevent spoilage or waste of the donated commodity, or that (2) the distribution of the commodity in the recipient country will result in a substantial disincentive to or interference with domestic production or marketing in the country.
12. In lieu of Section 210.11 [a] and [c], A.I.D. Regulation 10, the following shall apply:
  - A. The Cooperating Sponsor shall maintain records and documents for a period of three years from the date of the export of the agricultural commodities in a manner which will accurately reflect all transactions pertaining to the receipt, storage, distribution, and sales of the agricultural commodities.
  - B. Cooperating Sponsor special account and local currency proceeds reporting requirements are specified in the approved Plan of Operation (Attachment A). In addition, the Cooperating Sponsor shall submit a semi-annual logistics report to the Chief, Projects and Coordination Division, Food for Peace (AID), State Annex 8, Room 319, Department of State, Washington, D.C. 20523, USA and a copy to the Agency for International Development mission, Santo Domingo, covering the receipt of agricultural commodities made available by the CCC under this Agreement. The first report must be submitted by October 31, 1987, and cover the period from the date of this Agreement. Reports thereafter will cover each subsequent six month period until funds are completely disbursed from the special account. A report is not required if agricultural commodities are not received, and if there is no entry to report in the following data during any reporting period. The report must contain the following data:
    - [1] Receipts of agricultural commodities including the name of each vessel, discharge ports[s], the date discharge was completed, the condition of the commodities on arrival, any significant loss or damage in transit, advice of any claim for, or recovery of, or reduction of freight charges due to loss or damage in transit on United States Flag vessels;
    - [2] Quantity of agricultural commodities sold, proceeds generated, and proceeds deposited into the special account during the reporting period;

- [3] Estimated commodity inventory at the end of the reporting period;
  - [4] Quantity of commodities in order and on transit during the reporting period;
  - [5] Status of claims for commodity losses both resolved and unresolved during the reporting period;
  - [6] Quantity of commodities damaged or declared unfit during the reporting period; and
  - [7] Disbursements from the special account for the purposes specified in the plan of operation.
13. Section 210.7 [b], A.I.D. Regulation 10, is deleted in its entirety. This waives the requirement that repackaged Section 416 agricultural commodities must be packed in containers marked furnished by the people of the United States of America and not to be sold or exchanged.
14. This Agreement is prepared in both English and Spanish. In the event of ambiguity or conflict between the two versions, the English language version will control.
15. The donation of wheat and corn during fiscal year 1988, pursuant to this Agreement, is subject to a determination by the Secretary of Agriculture of the availability of such wheat and corn for donation by the Commodity Credit Corporation under Section 416 during fiscal year 1988.

FOR THE GOVERNMENT OF THE UNITED STATES

By:   
Lowell C. Kilday  
Title: Ambassador of the United States to the Dominican Republic

By:   
George J. Pope  
Title: Acting General Sales Manager FAS, and Acting Vice President

Commodity Credit Corporation

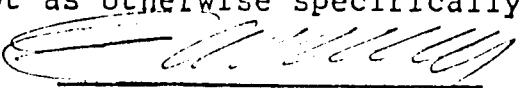
Date: July 2, 1987

Date: July 17, 1987

FOR THE GOVERNMENT OF THE DOMINICAN REPUBLIC

Request and Acceptance

The assistance described in this Agreement is requested and the terms and conditions of this Agreement and of A.I.D. Regulation 1 except as otherwise specifically provided herein, are accepted.

By:   
Guillermo Caram  
Title: Secretario Técnico de la Presidencia

Date: July 2, 1987

SECTION 416  
PLAN OF OPERATION

1. Applicant: Technical Secretary of the Presidency (TSP of the Dominican Republic (GODR))
2. Country: Dominican Republic
3. Kind and Quantity of Commodities Requested:

Wheat, (No. 2 or better), 200,000 MT total:

Dark Northern Spring (DNS)*	88,000 MT
Hard Red Winter (HRW)	86,000 MT
Soft Red Winter (SRW)	16,000 MT
Hard Amber Durum (HAD)	10,000 MT

Corn (No. 3 or better), 120,000 MT total

## 4. Delivery Schedule

Wheat:	DNS/NS	HRW	SRW	HAD	Total
July 1987	16,000	14,000	4,000	--	34,000
August 1987	14,000	--	4,000	--	18,000
September 1987	--	18,000	--	--	18,000
October 1987	18,000	5,000	7,000	--	30,000
November 1987	10,000	8,000	--	--	18,000
December 1987	12,000	8,000	--	--	20,000
January 1988	10,000	11,000	1,000	2,000	24,000
February 1988	8,000	11,000	--	4,000	23,000
March 1988	--	11,000	--	4,000	15,000
Total:	88,000	86,000	16,000	10,000	200,000

Corn: No. 3 or Better

July 1987	20,000
August 1987	20,000
September 1987	20,000
October 1987	20,000
November 1987	20,000
December 1987	20,000

Total: 120,000

5. Description of Management of Program Procedures: To assure proper use of local currency generated from the sale of commodities provided under this agreement, the following management procedures will be established. The Local Currency Coordinating Unit within the Technical Secretariat of the Presidency will administer the Section 416[b] local currencies

\* DNS and/or Northern Spring (NS)

as it does for the ongoing, joint USG/GODR LC program. It will manage the basic programming process, review and process specific requests for uses of Local currency, and insure accountability of funds. The initial programming of Section 416[b] local currency as well as any subsequent program proposals will be reviewed by a newly created Sugar Diversification Advisory Committee, made up of the country's public and private sector sugar producers, which will advise the Technical Secretary. Once the Technical Secretary has approved, USG/GODR will review and approve the basic local currency programming as well as the subsequent program profiles and program disbursement requests. Once all approvals have been given, the local currency will be disbursed from a special account in the Central Bank for program purposes. While detailed programming of the Section 416[b] local currency has not yet taken place, it is agreed that the local currency resources will be used to support sugar diversification activities, such as credit or employment generation for small farmers who are diversifying out of sugar production.

6. Usual Marketing Requirements (UMR): Zero. The government of the Dominican Republic agrees to furnish CCC information on actual commercial imports, if any, made during the year.
7. Reports:
  - A. The Government of the Dominican Republic will furnish A.I.D. and U.S. Agricultural Attache such information and reports relating to the Agreement as they may reasonably request;
  - B. Maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices, books and records relating to the Agreement. Such books will be audited regularly, in accordance with generally accepted auditing standards and maintained for three years after the date of arrival of the commodity, or after the last disbursement of proceeds by the Central Bank, whichever occurs later;
  - C. Afford authorized representatives of any party to the agreement the opportunity at all reasonable times to inspect the project sites financed with the proceeds and all books, records, and other documents relating to the Agreement.
8. The Government of the Dominican Republic agrees not to export wheat, wheat flour, rolled wheat, semolina, farina, bulgar, or corn (or the same products under a different name) during U.S. fiscal year 1987-88.

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CORN  
(WHOLE GRAIN)

U.S. Grade No. 2 or better yellow corn, maximum 14.5% moisture, except U.S. Grade No. 3 on broken corn and foreign material.

Nutritive Values (per 100 g)

<u>Energy and Nutrients</u>	<u>Amounts</u>	<u>Unit</u>
Food Energy (1108 MJ)	348	Cal.
Protein	8.9	g.
Crude Fat	3.9	g.
Carbohydrate	72	g.
Calcium	22	mg.
Phosphorus	268	mg.
Iron	2.1	mg.
Sodium	1	mg.
Potassium	284	mg.
Vitamin A	490	I.U.
Thiamin (B <sub>1</sub> )	0.4	mg.
Riboflavin (B <sub>2</sub> )	0.1	mg.
Niacin	2.2	mg.

CORN STANDARDS

GRADE	MINIMUM TEST WEIGHT PER BUSHEL	MOISTURE	MAXIMUM LIMITS OF-		
			<u>1/</u> BROKEN CORN AND FOREIGN MATERIAL	DAMAGED KERNELS	
				TOTAL	HEAT- DAMAGED KERNELS
	POUNDS	PERCENT	PERCENT	PERCENT	PERCENT
U.S. No. 2	54.0	15.5	3.0	5.0	0.2

1/ Maximum 4.0 percent on U.S. Grade No. 3

PACKAGING (PER 50 KG)

Woven Polypropylene or  
Polyethylene  
(Use no Hooks)

Fabric contains an inhibitor to  
resist ultra-violet absorption  
along with anti-skid coating.

Wheat  
(Whole Grain)

U.S. Grade No. 2 or better wheat, maximum 13.5% moisture

## STANDARDS

Grade	Minimum test weight per bushel (pounds)		Percent maximum limits of-						
	Hard Red Spring wheat or white Club wheat <u>1/</u>	All other classes and sub- classes	Heat damaged kernels	Damaged kernels (total) <u>2/</u>	Foreign material	Shrunken and broken kernels	Defects (Total) <u>3/</u>	Wheat of other classes	
								Contrasting classes	Wheat of other classes (total)
U.S. No. 2	57.0	58.0	.2	4.0	1.0	5.0	5.0	2.0	5.0

- 1/ These requirements also apply when Hard Red Spring wheat or White Club wheat predominate in a sample of Mixed wheat.
- 2/ Includes heat-damaged kernels.
- 3/ Defects (total) include damaged kernels (total), foreign material, and shrunken and broken kernels. The sum of these three factors may not exceed the limit for defects.
- 4/ Unclassed Wheat of any grade may contain not more than 10 percent of wheat of other classes.
- 5/ Includes contrasting classes

Packaging (per 50 kg) (If requested)

Woven Polypropylene or  
PolyethyleneFabric contains an inhibitor to resist ultra-violet absorption, along with  
an anti-skid coating.

Attachment B is a generic standard. In light of the recent decision to be responsive to requests for various classes of wheat, the classes of wheat specified in the Plan of Operation (Attachment A), will be controlling for grain shipments.