

FOOD PRODUCTION PROGRAM

Exchange of notes at Lima May 19 and 20, 1943, with memorandum of agreement of May 19, 1943, between the Institute of Inter-American Affairs and the Minister of Agriculture

Entered into force May 20, 1943

Supplemented and extended by agreements of August 18 and October 10, 1944;¹ June 11, 1945, and November 22, 1946;² December 4, 1946, and January 29, 1947;³ June 28 and July 8, 1948;⁴ August 17 and 18, 1949;⁵ September 15 and 21, 1950;⁶ and February 23 and March 9, 1955⁷

Supplemented by agreements of June 7 and 15, 1951,⁸ and January 24 and February 22, 1952⁹

Expired June 30, 1960

57 Stat. 1405; Executive Agreement Series 385

The American Ambassador to the Minister of Agriculture

EMBASSY OF THE
UNITED STATES OF AMERICA
Lima, May 19, 1943

EXCELLENCY:

I have the honor to refer to Your Excellency's Note No. 402 of May 14, 1943 transmitting for my consideration the revised draft of the Spanish text of the agreement for the establishment of the Inter-American Cooperative Food Production Service, and to inform Your Excellency that except for two minor changes in wording I concur in Your Excellency's opinion that this Spanish text is satisfactory.

These two minor changes, which have been informally discussed with Mr. Moravsky, the Director of Agriculture, are:

¹ EAS 433, *post*, p. 1198.

² TIAS 1647, *post*, p. 1224.

³ TIAS 1669, *post*, p. 1243.

⁴ TIAS 1872, *post*, p. 1279.

⁵ TIAS 1993, *post*, p. 1292.

⁶ 1 UST 820; TIAS 2161.

⁷ 6 UST 697; TIAS 3208.

⁸ 2 UST 1608; TIAS 2303.

⁹ 3 UST 5351; TIAS 2743.

1. Page 3, Clause Six, line 11 of the Spanish draft, to be altered to read in English as follows: "but, without prejudice to the immediately preceding provisions of this sentence, the necessary steps will so far as possible be taken to obtain those"

2. Page 3, Clause Nine, next to last line, the insertion after the words "labores oficiales", of the following new sentence which in English reads: "The members of the Food Production Mission of the Institute of Inter-American Affairs will not pay to Peru any direct tax on salaries when they are subject to such a tax by the United States of America".

In view of Mr. Moravsky's verbal statement that the above two minor changes are acceptable, I have pleasure in transmitting as an enclosure to this Note an original and one copy of the English text of this *Memorandum of Agreement*. Providing you perceive no objection. I shall also, immediately on receipt from Your Excellency of the agreed-upon Spanish text, forward that document to my Government with the statement that this exchange of notes constitutes the agreement for the establishment of the Inter-American Cooperative Food Production Service in Peru.

With respect to your Government's desire, expressed in Your Excellency's Note under reference, that the Service assist, by means of its specialized technical personnel, in the problems of transportation and distribution of food products which, while connected with the general program outlined in Clause Three of the *Memorandum of Agreement*, have not been clearly explained therein, permit me to say that there would appear to be no objection to the United States technical personnel, if so mutually agreed upon, also lending their services toward these ends. Such technical assistance, it may be observed, would seem to be provided for under the terms of the final paragraph of the *Memorandum of Agreement*.

Please accept, Excellency, the assurance of my high consideration.

R. HENRY NORWEB

Enclosure:

Memorandum of Agreement

His Excellency

GODOFREDO A. LABARTHE,
Minister of Agriculture,
Lima.

MEMORANDUM OF AGREEMENT

First—The Government of the Republic of Peru will create, as a separate entity, a special technical service within the Ministry of Agriculture, which shall be known as the Servicio Cooperativo Inter-Americano de Producción de Alimentos (Inter-American Cooperative Food Production Service), hereafter to be called the SCIPA. The SCIPA shall function in the formulation

and execution of the food production program hereinafter set forth. It shall be a dependency of the Ministry of Agriculture.

Second—The Government of the United States of America, represented by The Institute of Inter-American Affairs, a corporation organized and existing under the laws of the State of Delaware, an instrumentality of the United States of America, will name a food production mission to assist in the consummation of the program in Peru. The person in charge of this mission will be an expert who shall have the title of Chief, Food Production Mission in Peru. This official shall be the representative of the Food Production Division of The Institute of Inter-American Affairs in Peru. Subject to the approval of the Minister of Agriculture, the Chief of the Food Production Mission in Peru shall be the Director of the SCIPA. The appointment of the Director is for the term of one year.

Third—The SCIPA will submit and develop a program to increase the production of foodstuffs of vegetable and animal origin, of primary necessity, covering at least the following items:

- (a) technical assistance for the increase and improvement of production of food products of animal and vegetable origin;
- (b) development of plants for crop adjustment;
- (c) development of new acreage, including agricultural colonization, and plans for soil conservation works; dry farming; and soil survey for new irrigation areas.
- (d) supply of means, tools, equipment, insecticides, seeds, livestock, and other materials, for the increased production of food products of animal and vegetable origin;
- (e) assistance in the further development of extension work to promote the production of food products;
- (f) provision of loans or other assistance to small producers;
- (g) studies and related work in the fields of nutrition and diet.

Fourth—The funds for servicing the SCIPA shall be supplied by contributions up to three hundred thousand American dollars (\$300,000) on the part of The Institute of Inter-American Affairs, and provided the Government of Peru makes similar contributions to the program in cash, property, or services.

The funds supplied by The Institute of Inter-American Affairs shall be transferred to the SCIPA as required by the progress of the work performed by said SCIPA.

The total funds, property or services supplied by the Government of Peru shall be transferred to the SCIPA in proportion to the amounts provided by The Institute of Inter-American Affairs.

The amount of three hundred thousand dollars supplied by The Institute of Inter-American Affairs shall constitute the sum total of its contribution and shall include the cost of the materials and equipment supplied by the

Institute to the SCIPA. The funds supplied by The Institute of Inter-American Affairs shall be spent exclusively on the realization of the plan indicated in Clause *Three*.

The funds of the SCIPA shall be deposited in a special account in the name of the SCIPA and shall be disbursed by the Director of the SCIPA only upon projects having the mutual consent of the Minister or his representative and the Director of the SCIPA.

Fifth—The salaries and travelling expenses of the members of the Food Production Mission of The Institute of Inter-American Affairs for work in Peru shall be paid by The Institute of Inter-American Affairs from funds not assigned to the SCIPA.

Sixth—All construction undertaken according to this agreement shall become the property of the Government of Peru. No work shall be undertaken which will require materials or personnel indispensable to the prosecution of any phase of the war effort, but without prejudice to the immediately preceding provisions of this sentence the necessary steps will so far as possible be taken to obtain those which are necessary to the realization of the proposed plan.

Seventh—The kind of work to be undertaken by the SCIPA in accordance with the program established in Clause *Three* shall be determined through mutual agreement between the Minister or his appointed representative and the Director of the SCIPA, and shall be carried out by the Director of the SCIPA always in conformity with policies prescribed jointly by the Minister or his representative and the Director of the SCIPA.

Eighth—All contracts and agreements relating to projects agreed upon between the Minister of Agriculture or his representative and the Director of the SCIPA may be drawn up, signed and executed by the Director of the SCIPA with any other legal entity or individual, or any combination of legal entities or individuals. All such contracts shall conform to general regulations previously approved by the Minister or his representative and the Director of the SCIPA.

Ninth—All rights and privileges which are enjoyed by similar official divisions of Government in Peru and by the personnel and employees of the same, shall accrue to the SCIPA, and to all its personnel and employees while performing their official duties. The members of the Food Production Mission of The Institute of Inter-American Affairs will not pay to Peru any direct tax on salaries when they are subject to such a tax by the United States of America. The customs duties paid by the SCIPA on imports of equipment, supplies and material destined for the use of the food production program will be reimbursed by the Ministry of Finance as shown by respective customs house documents and receipts.

Tenth—The Director of the SCIPA, with the agreement and consent of the Minister of Agriculture or his representative, shall select, appoint and dismiss the personnel of the SCIPA and shall determine the salaries, trans-

fers and conditions of employment. The personnel shall enjoy the rights and privileges accorded to Government employees.

Eleventh—The Director of the SCIPA shall furnish the Minister of Agriculture or his representative all information necessary concerning the SCIPA.

Twelfth—The SCIPA shall present to the Minister of Agriculture or his appointed representative, at intervals agreed upon by the Minister or his appointed representative and the Director of the SCIPA, a complete account of all its indebtedness, financial transactions, and expenditures. The accounts and records of the SCIPA shall be open at any time for the inspection of the Minister or his appointed representative, and The Institute of Inter-American Affairs and its designated representatives.

Thirteenth—The present agreement will be for the duration of one year, continuing from the date of signature of the Note of Transmittal, and may be extended in the judgment of the contracting parties.

In addition to the plan to promote food production through the SCIPA, it is understood that the Government of Peru and the Government of the United States of America, through the Institute of Inter-American Affairs, may undertake such other activities and programs as are deemed advisable by the Minister of Agriculture and the Chief of the Food Production Mission to promote the production of food products in the Republic of Peru. If such additional programs are undertaken, the facilities of the SCIPA may be used if deemed advisable by the representatives of the two governments.

For The Institute of Inter-American Affairs:

R. HENRY NORWEB

Ambassador of the United States of America

For the Republic of Peru:

GODOFREDO A. LABARTHE

Minister of Agriculture

The Minister of Agriculture to the American Ambassador

[TRANSLATION]

Note 107 DA

LIMA, May 20, 1943

THE AMBASSADOR OF THE UNITED STATES OF AMERICA.

I take pleasure in acknowledging the receipt of your communication of the 19th instant, to which you attached the final plan, in English regarding the creation of the Inter-American Cooperative Food Production Service, considering in it the small modifications clarifying the previous text.

I have gone over the plan and, finding it satisfactory, am taking the necessary steps in order that my Government approve the contract by means of the respective *Resolución Suprema*.

I am enclosing for you a copy, in Spanish, of the memorandum¹⁰ in which our countries agree upon the creation of the Service.

I avail myself of the opportunity to repeat to you the assurance of my consideration.

May God watch over you.

GODOFREDO A. LABARTHE
Minister of Agriculture

¹⁰ Not printed here.