

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

Market Development Project Agreement for Establishment of
Demonstration Flocks of U.S. Sheep and Goats and a Swine
Herd in Peru

Peru 76601-53

Ecuador 76601-25

This project agreement entered into between the Administrator of the Foreign Agricultural Service, United States Department of Agriculture (hereinafter called the "Administrator"), and the Agrarian University "La Molina" and the Agricultural Promotion and Research Service of Peru "SIPA," both of Lima, Peru, (hereinafter called the "Cooperators"),

WITNESSETH:

Whereas, the Agricultural Trade Development and Assistance Act of 1954, as amended, provides for the use of foreign currencies derived under such Act to help develop new markets for United States agricultural commodities, and

Whereas, the Cooperators have agreed to cooperate in this project in aiding the development of foreign markets for United States breeding sheep, goats, and swine,

Now, therefore, in consideration of the premises and of the covenants and agreements herein contained, the parties hereto agree as follows:

I. Description of Project

This project is designed to promote and increase the interest in and demand for U.S. breeding stock of sheep, goats, and swine in Peru. The Cooperators shall purchase in the United States and arrange for the transportation to Peru approximately 50 ewes and rams of the Hampshire-Down and Suffolk breeds, approximately 35 goats of the Angora and Anglo-Nubian breeds, and approximately 20 swine of the Duroc-Jersey, Yorkshire, and Poland China breeds. All animals will be registered and of top quality. Of the swine to be selected, all animals must come from litters of not less than 6 at birth and not less than 5 at time of weaning. In cooperation with the Agricultural Attaché, the Cooperators shall designate livestock specialists (hereinafter called the Cooperators' representatives) who shall be responsible for selecting and purchasing the livestock. In addition, the Cooperators' representatives shall arrange for the shipment of the livestock from points of origin in the United States to ultimate destination in Peru.

Payment for the purchase of livestock shall be in dollars. The total weight of the livestock purchased shall not exceed 33,800 pounds, the maximum weight load for one airplane.

The Cooperators shall arrange for the preparation and submission of all shipping documents such as sanitary certificates, registration papers, pedigrees and visas. The Cooperators shall also arrange for airport

and customs clearances, landing permits in Peru, quarantine (including maintenance and handling), unloading and transporting in Peru. In addition the Cooperators shall provide for the care, maintenance and display of the livestock in Peru for a period of not less than 3 years, unless the Cooperators and the Administrator agree in writing upon a different period. The livestock shall be displayed at such locations and at such times as may be mutually agreed upon by the Cooperators and the Agricultural Attaché, so that livestockmen in Peru will have an opportunity to observe the quality and merits of U.S. livestock.

The Cooperators shall publicize in Peru the appropriate merits of the animals in order to stimulate a demand for U.S. livestock. The Cooperators shall endeavor to use the animals for demonstration of the economic possibilities of improving the existing livestock of Peru by using U.S. livestock. The disposal of any progeny shall be at the discretion of the Cooperators so long as the original number of each breed is maintained for the period of this agreement.

II. Financing

A. FAS Funds

1. The Administrator agrees to make available for the execution of this project 241,000 Peruvian soles and 52,800 Ecuadoran sucres.
2. Use of FAS funds made available under Article II A 1 of this project is limited to the payment for air freight for one plane load of sheep, goats, and swine, from United States port of

embarkation excluding loading and feeding as well as charges for services of flight attendants if so required.

B. The Cooperators agree to provide for this project a contribution in dollars, personnel, services, goods, or facilities or a combination thereof of approximately \$20,100, which shall include the following:

1. Purchase price of approximately 50 sheep, 35 goats and approximately 20 swine.
2. Local travel and living expenses of the Cooperators' representative in the United States.
3. Insurance against all major risks of accident, disease, and abortion from time of loading the animals at the place of origin until at least to the end of the quarantine period in Peru.
4. Loading and overland transportation of the livestock from the point of origin in the United States to the airport of embarkation and unloading at such airport. Also the fees and costs pertaining to documentation such as sanitary certification, registration papers, pedigrees, visas, consular invoices, airport and customs clearances, landing permits, quarantine (including maintenance and handling), unloading and transporting as well as the care, maintenance and display of the livestock in Peru and the publication of reports on the production records and merits of the animals.

- C. The United States Livestock Associations have indicated that they and their members will cooperate in arranging an itinerary for the Cooperators' representative, and at their discretion, the Associations may contribute all or part of the travel and living expenses of the representative while in the United States.
- D. The amounts to be contributed by the parties to this agreement as provided herein are estimated to be sufficient for the completion of the project; however, in the event it becomes necessary to incur any unusual or unanticipated costs, the parties hereto shall agree as to whether either or both of the parties will make additional contributions to cover such costs or whether the project will be terminated.

III. Administration

- A. The Cooperators shall supervise project activities under this agreement, and shall certify to the Administrator expenses incurred under this project. For a period of three years from the effective date of this agreement, the Cooperators shall submit to the Attaché reports on project activities, semi-annually or at such other intervals as shall be mutually agreed to in writing. Whenever this agreement mentions the "Administrator", the term includes his authorized representatives. These reports must be submitted in the English language.
- The Agricultural Attaché shall approve all FAS expenditures authorized under this project, shall ascertain that the funds are properly and effectively used, and shall check the activities under this project for compliance with the agreement.

C. The Cooperators shall permit inspection of project activities by the Administrator; shall keep appropriate accounts and records of project activities and expenses which shall be available for inspection by the Administrator at any reasonable time; and shall submit billings of expense incurred by the Cooperators and their designees in such detail and form, including certified copies of relevant documents executed in foreign countries, as may be required by the Administrator. Such accounts and records shall be maintained for not less than three years after completion or termination of this project agreement as referred to in Article V. In agreements executed between the Cooperators and third parties, provision shall be made for the third parties to submit specific project proposals together with detailed budgets to the Cooperators for their approval; to keep such records of the operations of each project and program conducted pursuant to this Agreement and such accounts of receipts and expenditures as the Cooperators may require; and to make records and accounts (including all data, information, documents, and reports) available to the Cooperators for inspection or audit for a period of three years after the completion date of this Agreement.

D. Whenever this agreement mentions the "Administrator," the term includes his authorized representatives. Whenever this agreement mentions the "Cooperator," the term includes their authorized representatives.

IV. Standard Provisions

A. It is contemplated that this agreement is to be performed outside

the United States and that no recruitment of workers within the United States shall be made for work on this project. To the extent, however, that any such recruitment may be made or work performed in the United States the following provisions shall apply: The Cooperators agree not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Cooperators agree to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause. The Cooperators further agree to insert the foregoing provision in all agreements with third parties entered into hereunder, except agreements for standard commercial supplies or raw materials and agreements to be performed outside the United States where no recruitment or workers within the limits of the United States is involved.

- B. No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be

construed to extend to this Agreement if made with a corporation for its general benefit, and shall not extend to any benefits that may accrue from the Agreement to a Member of or Delegate to Congress, or a Resident Commissioner, in his capacity as a farmer.

C. The Cooperators warrant that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Cooperators for the purpose of securing business. For breach or violation of this warranty the Administrator shall have the right to annul this agreement without liability, or in his discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

V. Completion and Termination

Project activities hereunder shall be completed by December 31, 1961, unless such project activities are sooner terminated by either party upon giving 30 days' notice in writing to the other party.

In Witness whereof, the parties hereto have signed this Agreement as
of the Twenty-Nine day of May 1961.

ADMINISTRATOR
FOREIGN AGRICULTURAL SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE

AGRARIAN UNIVERSITY
"LA MOLINA"
COOPERATOR

By: Patricia B. McElroy
Walt. ASSISTANT ADMINISTRATOR
Date: MAY 16 1961

By: J. Deen
Title President
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Date: May 29, 1961

AGRICULTURAL PROMOTION AND
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Date: May 29, 1961