

PROTOCOL

between the Government of Canada and the Government of the Russian Federation concerning questions relating to credits for deliveries of agricultural products and foodstuffs to the Russian Federation from Canada.

The Government of Canada and the Government of the Russian Federation, for the purposes of broadening bilateral trade and economic co-operation, have agreed as follows:

ARTICLE I

The Government of Canada grants the Government of the Russian Federation a Line of Credit in the amount equivalent to 62 million Canadian dollars for the purchase of agricultural products and foodstuffs.

ARTICLE II

The Vnesheconombank and the Export Development Corporation shall, at the earliest possible moment, conclude an agreement concerning this Line of Credit for the purchase of Canadian agricultural products and foodstuffs not subject to the Canadian Wheat Board Credit Grain Sales Program.

ARTICLE III

The Government of the Russian Federation confirms that the Vnesheconombank has been duly authorized to enter into this Line of Credit Agreement as borrowing agent for and on behalf of the Russian Federation, pursuant to Decree No. 2524-I of March 16, 1992, of the Presidium of the Supreme Soviet of the Russian Federation.

The Government of the Russian Federation guarantees the execution of payments under the Line of Credit Agreement by the Vnesheconombank as a borrowing agent, and in case of any failure of the Vnesheconombank to execute its obligations under the above mentioned agreement, to indemnify these payments to the Export Development Corporation if the necessity arises.

ARTICLE IV

The Line of Credit shall be earmarked for the financing of deliveries to the Russian Federation of agricultural products and foodstuffs of Canadian origin.

The Government of the Russian Federation gives notice of its intention to purchase meat (pork), powdered milk, butter and other agricultural products and foodstuffs as may be required.

ARTICLE V

The Line of Credit shall be used to finance one hundred percent of the cost of goods imported from Canada. Up to twelve percent of each credit amount can be used to cover the cost of transportation, except for land transportation costs incurred in Europe, subject to the goods being shipped from a Canadian port and the shipping being tendered within Canada.