

Washington, September 17, 1963

Food for Peace Dollar Credit Agreement Will Improve Paraguay's Milk Supply

A Food for Peace agreement providing for long-term dollar credit sales of U. S. mixed feeds needed to improve Paraguay's milk supply was announced today by the U. S. Department of Agriculture.

The agreement, under Title IV of Public Law 480, provides for sale of \$150,000 worth, or about 750,000 pounds, of mixed feeds during fiscal years 1964, 1965, and 1966. The value includes certain ocean transportation costs. One-third of the feeds are to be supplied by July 1, 1964.

Proceeds from sale of these commodities in Paraguay will be used for economic and social development projects.

Under the agreement, Paraguayan dairy producers will be supplied with a powdered preparation which, when mixed with water, can be fed to calves in lieu of whole milk. Use of this replacer will release whole milk for human consumption.

Sales will be made by U. S. private traders. Purchase authorizations will be announced later.

The agreement is the first with Paraguay under Title IV, Public Law 480. Title I, P. L. 480 commodities amounting to more than \$8 million were shipped to Paraguay during the fiscal years 1957 and 1962. Shipments included about 4 million bushels of wheat, 13 million pounds of flour, 900,000 pounds of dried whole milk, 2 million pounds of cottonseed oil and 1.5 million pounds of lard.

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(Further information may be obtained from the Program Operations Division, Foreign Agricultural Service, U. S. Department of Agriculture, Washington, D. C. 20250. Phone DUDley 8-6839. Please refer to Press Release USDA 3127-63).